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Executive summary

The platform economy in Paraguay is an undeniable reality. As such, it demands study and analysis to improve the lives of its workers. This report constitutes the first round of Fairwork ratings in Paraguay.

Fairwork is an international action research project that evaluates working conditions in the platform economy in more than 30 countries. Digital labour platforms are scored against five principles of fair work: Fair Pay, Fair Conditions, Fair Contract, Fair Management and Fair Representation. For each principle, platforms can score up to two points, if there is sufficient evidence that platforms meet all the relevant thresholds. A detailed list of the specific thresholds for each individual principle can be found in the Appendix.

For this report, we evaluated six ride-hailing and delivery platforms operating in Paraguay: Bolt, Uber, inDriver, Muv, PedidosYa and Monchis. The resulting very low scores highlight that much remains to be done to guarantee basic labour standards for platform workers in Paraguay.

Out of the six studied platforms, only two platforms, MUV and PedidosYa, were able to score any points. These two platforms lead the first Fairwork ranking for Paraguay with a score of two and one point respectively. In light of these results, platforms need to take active measures to ensure that their workers are granted basic labour rights.
FAIR PAY

We did not find sufficiently robust evidence that any platform has mechanisms or practices in place to ensure that workers earn at least the local minimum wage or a living wage after subtracting costs. Therefore, no platform could be awarded a point for the principle of fair pay.

FAIR CONDITIONS

We did not find sufficient evidence that platforms in Paraguay take measures to mitigate work-related health and safety risks or that they provide a safety net for workers. Therefore, we were unable to grant this point to any of the six evaluated platforms. It is worth noting that all platforms require workers to have some kind of insurance such as liability or vehicle insurance, however, it is the workers who bear the cost of this insurance. Lastly, we were not able to evidence that platforms offer workers sick pay in the case of illnesses other than COVID-19.

FAIR CONTRACTS

Only PedidosYa was awarded the first point for fair contracts. This platform has a legal presence in the country and its contract is available in Spanish and accessible to workers at all times. Moreover, changes to the contract can only be made with the written agreement of both the worker and the platform. No platform could be awarded the second point for fair contracts because we did not have sufficient evidence that platforms take appropriate steps to ensure that their contracts or terms and conditions do not exclude liability for negligence nor unreasonably exempt the platform from liability for working conditions.
**FAIR MANAGEMENT**

Only one platform, MUV, was able to score on this principle. Our research showed that MUV has efficient channels for workers to communicate with a human platform representative and that there is a documented process for workers to appeal disciplinary actions. Moreover, MUV has an anti-discrimination clause in its contract and a documented commitment to achieve gender parity across its driver fleet. Based on this evidence, MUV was awarded the first and the second point for the principle of fair management.

**FAIR REPRESENTATION**

We were not able to evidence the existence of a documented mechanism for the expression of collective worker voice for any platform, or of a formal policy indicating platforms’ willingness to recognise and bargain with a collective body of workers or a trade union. Therefore, no points could be awarded to any of the studied platforms for this principle.
Towards a fairer platform economy in Paraguay

This first Fairwork report for Paraguay highlights working conditions across different digital economy platforms. To date, the public debate in Paraguay has focused predominantly on the security risks associated with platform work, with particular attention being paid to accidents and assaults suffered by both drivers and passengers.

However, it is important to adopt a bird’s-eye view that allows for a more profound analysis of platform work as a relatively new phenomenon in Paraguay. Particularly, more needs to be done to highlight workers’ experiences and platform practices that limit workers’ access to fundamental labour rights. By examining working conditions in the Paraguayan platform economy and highlighting current corporate practices, this report aims to generate a space for discussion between platforms, workers, policymakers and consumers. We hope that such a dialogue can contribute to fostering innovation while at the same time ensuring that fundamental labour standards are applied to all workers in Paraguay, including platform workers.

TEDIC, a civil society organisation working at the intersection of technology and human rights, has applied Fairwork’s methodology for the first time in Paraguay. The Fairwork methodology is in line with TEDIC’s strategic advocacy and research activities, which tackle work in the platform economy from a human rights perspective with the aim of ensuring workers’ well-being.

In a national context of rampant inequality, precarious work, weak institutionalisation and general economic instability, debates around digitalisation in Paraguay have so far painted a techno-utopian picture that promises development through technological innovation. However, such a picture leaves little space for a more nuanced analysis that outlines both the risks and opportunities of digital technologies.

Moreover, Paraguay’s legal framework is currently unable to cope with the new challenges posed by technological advancements with respect to work and employment relations. These challenges include guaranteeing workers’ privacy and data protection and defining the nature of the work relationship when mediated by digital systems. Additionally, the lack of a regulation against all forms of discrimination in the workplace is a serious challenge. Without it, workers risk being subject to discriminatory practices by companies and customers – online and offline.

Against this background, this report applies the Fairwork
methodology to the Paraguayan context with the ultimate goal of fostering positive change for workers and in the wider digital economy and innovation ecosystem. With this report, we aim to stress the duty of platforms and policymakers to ensure workers’ rights, in creating a healthy digital economy.

FAIRWORK PARAGUAY TEAM

Eduardo Carrillo
Tatiana López
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Mark Graham
The Fairwork project is coordinated from the Oxford Internet Institute and the WZB Berlin Social Science Centre. Our growing network of researchers currently rates platforms in 38 countries across five continents. In every country, Fairwork collaborates closely with workers, platforms, advocates and policymakers to promote a fairer future of platform work.
Figure 1. Fairwork currently rates platforms in 38 countries worldwide.

AFRICA
Egypt, Ghana, Kenya, Morocco, Nigeria, South Africa, Tanzania, Uganda

ASIA
Bangladesh, India, Indonesia, Jordan, Lebanon, Pakistan, Philippines, Singapore, Vietnam

EUROPE
Albania, Austria, Belgium, Bosnia, France, Georgia, Germany, Italy, UK, Serbia, Spain

SOUTH AMERICA
Argentina, Brazil, Chile, Colombia, Ecuador, Paraguay, Peru, Uruguay

NORTH AMERICA
Mexico, USA
The Fairwork Framework

Fairwork evaluates the working conditions of digital labour platforms and ranks them on how well they do. Ultimately, our goal is to show that better, and fairer, jobs are possible in the platform economy.

To do this, we use five principles that digital labour platforms should ensure to be considered as offering ‘fair work’. We evaluate platforms against these principles to show not only what the platform economy is, but also what it can be.

The five Fairwork principles were developed through multiple multi-stakeholder workshops at the International Labour Organisation. To ensure their applicability to the Paraguayan context, the research team has developed a context-specific operationalisation of the five principles in consultation with platform workers, platforms, trade unions and regulators in the country.

Further details on the thresholds for each principle, and the criteria used to assess the collected evidence to score platforms can be found in the Appendix.
The five principles

**Fair Pay**
Workers, irrespective of their employment classification, should earn a decent income in their home jurisdiction after taking account of work-related costs. We assess earnings according to the mandated minimum wage in the home jurisdiction, as well as the current living wage.

**Fair Conditions**
Platforms should have policies in place to protect workers from foundational risks arising from the processes of work, and should take proactive measures to protect and promote the health and safety of workers.

**Fair Contracts**
Terms and conditions should be accessible, readable and comprehensible. The party contracting with the worker must be subject to local law and must be identified in the contract. Regardless of the workers’ employment status, the contract is free of clauses which unreasonably exclude liability on the part of the service user and/or the platform.

**Fair Management**
There should be a documented process through which workers can be heard, can appeal decisions affecting them, and be informed of the reasons behind those decisions. There must be a clear channel of communication to workers involving the ability to appeal management decisions or deactivation. The use of algorithms is transparent and results in equitable outcomes for workers. There should be an identifiable and documented policy that ensures equity in the way workers are managed on a platform (for example, in the hiring, disciplining, or firing of workers).

**Fair Representation**
Platforms should provide a documented process through which worker voice can be expressed. Irrespective of their employment classification, workers should have the right to organise in collective bodies, and platforms should be prepared to cooperate and negotiate with them.
The Fairwork project uses three approaches to effectively measure fairness of working conditions at digital labour platforms: desk research, worker interviews and surveys, and interviews with platform management. Through these three methods, we seek evidence on whether platforms act in accordance with the five Fairwork Principles.

We recognise that not all platforms use a business model that allows them to impose certain contractual terms on service users and/or workers in such a way that meets the thresholds of the Fairwork principles. However, all platforms have the ability to influence the way in which users interact on the platform. Therefore, for platforms that do not set the terms on which workers are retained by service users, we look at a number of other factors including published policies and/or procedures, public statements, and website/app functionality to establish whether the platform has taken appropriate steps to ensure they meet the criteria for a point to be awarded against the relevant principle.

In the case of a location-based work platform, we seek evidence of compliance with our Fairwork principles for location-based or ‘gig work’ platforms, and in the case of a cloudwork platform, with our Fairwork principles for cloudwork platforms.

Desk research

Each annual Fairwork ratings cycle starts with desk research to map the range of platforms to be scored, identify points of contact with management, develop suitable interview guides and survey instruments, and design recruitment strategies to access workers. For each platform, we also gather and analyse a wide range of documents including contracts, terms and conditions, published policies and procedures, as well as digital interfaces and website/app functionality. Desk research also flags up any publicly available information that could assist us in scoring different platforms, for instance the provision of particular services to workers, or the existence of past or ongoing disputes.

The desk research is also used to identify points of contact or ways to access workers. Once the list of platforms has been finalised, each platform is contacted to alert them about their inclusion in the annual ranking study and to provide them with information about the process. All platforms are asked to assist with evidence collection as well as with contacting workers for interviews.

Platform interviews

The second method involves approaching platforms for evidence. Platform managers are invited to participate in semi-structured interviews as well as to submit evidence for each of the Fairwork principles. This provides insights into the operation and business model of the platform, while also opening up a dialogue through which the platform could agree to implement changes based on the principles. In cases where platform managers do not agree to interviews, we limit our scoring to evidence obtained through desk research and worker interviews.

Worker interviews

The third method is interviewing platform workers directly. A sample of 6-10 workers are interviewed for each platform. These interviews do not aim to build a representative sample. They instead seek to understand the processes of work and the ways it is carried out and managed. These interviews enable the Fairwork researchers to see copies of the contracts issued to workers, and learn about platform policies that pertain to workers. The interviews also allow the team to confirm or refute that policies or practices are really in place on the platform.

Workers are approached using a range of different channels. For the first Fairwork ratings in Paraguay, the research team conducted a total of 54 interviews with workers from six different ride-hailing and delivery platforms. Although most platform workers in the country are male, we made a big effort to contact female workers across all platforms through a snowballing approach.

Interviews were conducted in person and online, with informed consent being established before each interview.
The interviews were semi-structured and made use of a series of questions relating to the 10 Fairwork (sub) principles. In order to qualify for the interviews, workers had to be over the age of 18 and have worked with the platform for more than two months. All interviews were conducted in Spanish.

**Putting it all together**

This threefold approach provides a way to cross-check the claims made by platforms, while also providing the opportunity to collect both positive and negative evidence from multiple sources. Final scores are collectively decided by the Fairwork team based on all three forms of evidence. Points are only awarded if clear evidence exists on each threshold.

**How we score**

Each of the five Fairwork principles is broken down into two points: a first point and a more second point that can only be awarded if the basic point has been fulfilled. Every platform receives a score out of 10. Platforms are only given a point when they can satisfactorily demonstrate their implementation of the principles. Failing to achieve a point does not necessarily mean that a platform does not comply with the principle in question. It simply means that we are not – for whatever reason – able to evidence its compliance.

The scoring involves a series of stages. First, the in-country team collates the evidence and assigns preliminary scores. The collated evidence is then sent to external reviewers for independent scoring. These reviewers are both members of the Fairwork teams in other countries, as well as members of the central Fairwork team. Once the external reviewers have assigned their scoring, all reviewers meet to discuss the scores and decide final scoring. These scores, as well as the justification for them being awarded or not, are then passed to the platforms for review. Platforms are then given the opportunity to submit further evidence to earn points that they were initially not awarded. These scores then form the final annual scoring that is published in the annual country Fairwork reports.

**FURTHER DETAILS ON THE FAIRWORK SCORING SYSTEM ARE IN THE APPENDIX.**
Socio-economic context of the platform economy in Paraguay

The general economic landscape in Paraguay

The Paraguayan labour market is characterised by high levels of informality, with much economic activity taking place outside of regulatory frameworks. According to the Permanent Household Survey of 2017, Paraguay’s informal economy accounted for 65.2 per cent of the total economy. This figure is above the Latin American average of 46.8 per cent based on data from 14 countries in Latin America and the Caribbean.

A considerable labour gender gap persists in the country – in 2020, 56.2 per cent of women were in the labour force in comparison to 81.3 per cent of men. There is also a significant gender pay gap. According to data from the National Statistics Institute (Instituto Nacional de Estadística - INE), women earn 22 per cent less than men for the same type and level of job. Among the main reasons for this gap are wage discrimination, lower hours worked and occupational segregation.

High informality is further coupled with low levels of trade union membership. Between 2012 and 2019, the unionisation rate in the country has stagnated at 5.7 per cent. Unionisation rates vary considerably between the public and private sector. Whereas in the public sector it was around 28 per cent in 2019, unionisation in the private sector did not exceed one per cent.

Such a precarious work environment brought about a number of challenges for workers during the COVID-19 pandemic. At the beginning of the economic lockdown in March 2020, 68.5 per cent of households reported that at least one member in their household experienced a decrease in their income; 37.8 per cent declared loss of work or income and 27.7 per cent reported suspension from work without remuneration.

This lack of social security during the COVID-19 pandemic is at least partially linked to the pervasiveness of informal contracts in the country. In 2019, 50.7 per cent of people employed in the private sector did not have a written contract and 15.4 per cent had a fixed-term or temporary contract. In the first quarter of 2020, which was the start of the economic lockdown in Paraguay, unemployment rose from 5.7 per cent to 7.9 per cent, the highest rate in the previous three years. More recent data from the INE defines the number of employed people in the first quarter of 2022 at 3,427,318 people, of which 58 per cent are men and 42 per cent women – representing an unemployment rate of 8.5 per cent.

However, new challenges beyond the COVID-19 pandemic are emerging and need to be considered for the context of this report. The annual inflation rate in Paraguay has now reached a historical high of 9.3 per cent, which is almost three points higher than the previous year. In addition, a report by the Central Bank of Paraguay points to a 56.5 per cent increase in fuel prices for 2022, one of the highest increases in South America.
The platform economy in Paraguay

While the Paraguayan platform economy is still an understudied subject, there have been various efforts by academics, civil society and international organisations to map the platforms operating in the country and to characterise platform workers and users.

It is important to point out that there are still no official government data on the platform economy in Paraguay. The most comprehensive exploratory study on the Paraguayan gig economy to date, published by the International Labour Organisation, refers to 43 intermediary digital platforms operating in the country. The ILO study defines the platform economy as economic activities intermediated by a platform through which independent workers or vendors can sell a service or good to customers. It therefore includes platforms such as e-commerce or audio-visual platforms which do not fall under the narrow definition of “digital labour platforms” applied in this report, that is, platforms that exchange labour rather than goods.

Drawing on existing exploratory research, it is reasonable to assume that the platform economy in Paraguay is dominated by delivery and transportation apps. Indeed, transport and delivery platforms experienced exponential growth during the COVID-19 pandemic, and several new platforms have entered the market in the last two years. A representative of the Paraguayan delivery platform Monchis declared in 2020 that its fleet of riders had doubled since the beginning of the nationwide lockdown, while its main competitor PedidosYa reported that its fleet of riders had increased from 200 to 1000 between 2019 and 2020.

Passenger transportation apps have also experienced a market increase. The Paraguayan platform MUV has reported new drivers joining every day in the face of layoffs and various economic activities being halted across the country. In November 2020, the transnational platform Bolt joined the Paraguayan market, announcing that it had more than 2000 drivers in its fleet. Today, Bolt is the most popular ride-hailing app in the country.

All this said, there is no official data on platforms’ market shares. However, in the beginning of 2021, the competition authority issued an opinion that discussed transportation apps in the platform economy and referred to the necessity of allowing platforms like Bolt, MUV and Uber to operate in the country to ensure competition. There is no official data from the Ministry of Labour and Social Security (MTESS) either, which could shed light on the experiences of platform workers, or their exact numbers. This lack of data on the platform economy could explain why delivery and transportation app workers were not included in the “essential worker” definition during the pandemic. As a result, transport and delivery workers were not granted priority access to vaccination, despite providing essential services throughout the pandemic and ensuring that Paraguayan people could comply with the lockdown measures.
One of the few exploratory studies on the Paraguayan platform economy surveyed 209 workers from delivery and transportation apps in Asunción and Gran Asunción. Although it may not necessarily be representative for the experiences of all platform workers, the study nevertheless provides important initial insights into the characteristics of workers in the Paraguayan platform economy.

Of the surveyed workers, 90.4 per cent were male. Only 14.5 per cent of workers on ride-hailing platforms and 6.3 per cent of workers on delivery platforms were women. The survey pointed to the practice of multi-apping, that is platform workers using multiple apps at the same time to make ends meet. This is particularly the case for passenger transportation apps. In total, 45.2 per cent of respondents reported working for two or more platforms simultaneously. Notably, and going against the commonly held notion that workers join platforms simply to supplement their income from existing jobs, 68 per cent of respondents indicated that platform work is their only source of income.

Based on the above, the Fairwork Paraguay 2022 ratings rank the platforms Bolt, Uber, Muv, Monchis and PedidosYa. While not named in any of the aforementioned past studies of the Paraguayan platform economy, in this report, we also include the transportation app InDriver to widen the platform sample. InDriver has been present in Paraguay since June 2021.
THE LEGAL CONTEXT

Towards regulation of platform work

Up to now, the Paraguayan legal framework has followed the prevailing global trend and ignored the existence of an employment relationship between workers and digital labour platforms. The legal criterion adopted by the business sector and the government has been considered within civil law and not of labour law.

The only specific regulation regarding job security and safety for platform workers is Municipal Ordinance No. 227/19 which regulates the operation of ride-hailing platforms in the city of Asunción. Among others, this ordinance establishes criteria that private cars transporting passengers via digital platforms need to fulfil, including the need for an official permission and the implementation of safety standards. The ordinance prohibits dumping practices such as subsidising tariffs and does not define a maximum number of weekly working hours.

That said, there is currently an initiative in the legislative branch which seeks to regulate ride-hailing platforms under private law. The proposed bill “by which the alternative public transport service and the use of digital intermediation platforms for its hiring is regulated” was presented in the Chamber of Deputies in 2019 where it remains to date. However, the proposal focuses on the private contract for the provision of transportation services, without any reference to labour law, thereby doing little to mitigate the precarious situation of platform workers.

Similarly, in the session of the Chamber of Senators on November 1, 2018, a draft resolution was approved “requesting a report from the Executive Branch - Ministry of Labour, Employment and Social Security (MTESS) on the public transport service of passengers with regulated rates (Taxi, Uber, Muv, Remises and others).” The request sought to establish a legal framework to enable the operation of ride-hailing platforms. To this end, the requested law would regulate customer fees and taxes paid by platforms and request them to register their legal representation and address, introduce passenger insurance and take measures to guarantee freedom of competition in the sector.

In the face of a lack of any specific laws regulating platform work, the general legal tools regulating labour relations in Paraguay can be used as a legal umbrella to comprehensively address technological innovations and their labour relations. The first and most important legal tool is the Constitution of the Republic of Paraguay, which deals specifically with labour rights in its Chapter VIII (articles 86 to 99). This chapter establishes workers’ rights, including the rights to lawful, freely chosen, decent and fair work as well as the rights to stable employment, strikes and collective bargaining.

The second general tool for the regulation of labour relations is the Labour Code, which comprehensively regulates the fundamental right to work. However, it currently does not include any mention of digital platform work. Given Paraguay’s growing platform economy, the Labour Code needs to be updated to include digital platform work.
work and to establish protections and rights also for platform workers. The Ministry of Labour, Employment and Social Security should also improve investment in resources to control and inspect platforms' compliance with labour laws.

In summary, Paraguayan legislation needs to develop new regulations for platform operations and platform work. With the growing platform economy, we are facing a new modality of value exchange and new forms of relationships that impact the way we inhabit the city, go about social life, move around, use the soil, use the water, and relate to each other at work, among other things. To ensure that these transformations of social and economic life and relations benefit society as a whole, including workers, new, comprehensive regulation of platform services and platform work is needed.

Although the above depicts a grim legal environment for platform workers, it is also important to point to workers' resistance. At the time of writing this report, the Motorcycle and Related Workers' Union (SINACTRAM) won a lawsuit against the food delivery platforms Monchis, which must now pay compensation to four workers who were unjustifiably dismissed via WhatsApp. According to one of the SINACTRAM representatives, after a year of fighting, the court recognised that there was a relationship of dependency between the platform and the dismissed workers. The court’s verdict is an important landmark decision that can guide future legislative processes.
Fairwork Ratings Paraguay 2022
# Fairwork Paraguay Ratings 2022

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<th>Platform</th>
<th>Score</th>
<th>Minimum standards of fair work</th>
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<tr>
<td>MUV</td>
<td>2/10</td>
<td>⬤⬤⬤⬤⬤⬤⬤⬤⬤⬤⬤⬤⬤⬤⬤⬤⬤</td>
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<tr>
<td>PedidosYa</td>
<td>1/10</td>
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<td>Bolt</td>
<td>0/10</td>
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<td>inDriver</td>
<td>0/10</td>
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<td>Monchis</td>
<td>0/10</td>
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<tr>
<td>Uber</td>
<td>0/10</td>
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The breakdown of scores for individual platforms can be seen on Fair.work/Paraguay.
Explaining the scores

The overall very low scores achieved in the Fairwork Paraguay 2022 league table highlight that much remains to be done to guarantee basic labour standards for platform workers in the country. Of the six studied platforms, only two platforms, MUV and PedidosYa, were able to score any points. These two platforms lead the first Fairwork ranking for Paraguay with a score of two and one point, respectively. In light of these results, platforms need to take active measures to ensure that their workers are granted basic labour rights.

Fair pay

We did not find sufficiently robust evidence that any platform has mechanisms or practices in place to ensure that workers earn at least the local minimum wage or a living wage after subtracting costs. Therefore, no platform could be awarded a point for the principle of fair pay.

Fair conditions

We did not find sufficient evidence that platforms in Paraguay take measures to mitigate work-related health and safety risks or that they provide a safety net for workers. Therefore, we were unable to grant this point to any of the six evaluated platforms. It is worth noting that all platforms require workers to have some kind of insurance such as liability or vehicle insurance, however, it is the workers who bear the cost of this insurance. Lastly, we were not able to evidence that platforms offer workers sick pay in the case of illnesses other than COVID-19.
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Only PedidosYa was awarded the first point for fair contracts. This platform has a legal presence in the country and its contract is available in Spanish and accessible to workers at all times. Moreover, changes to the contract can only be made with the written agreement of both the worker and the platform. No platform could be awarded the second point for fair contracts because we did not have sufficient evidence that platforms take appropriate steps to ensure that their contracts or terms and conditions do not exclude liability for negligence nor unreasonably exempt the platform from liability for working conditions.

Fair representation

We were not able to evidence the existence of a documented mechanism for the expression of collective worker voice for any platform, or of a formal policy indicating platforms’ willingness to recognise and bargain with a collective body of workers or a trade union. Therefore, no points could be awarded to any of the studied platforms for this principle.

Fair management

Only one platform, MUV, was able to score on this principle. Our research showed that MUV has efficient channels for workers to communicate with a human platform representative and that there is a documented process for workers to appeal disciplinary actions. Moreover, MUV has an anti-discrimination clause in its contract and a documented commitment to achieve gender parity across its driver fleet. Based on this evidence, MUV was awarded the first and the second point for the principle of fair management.
Platforms in focus

This section aims to highlight examples of good practices by three platforms: MUV, Monchis and PedidosYa. Whereas on all platforms there is still a lot of room for improving workers’ conditions, the practices depicted in the following sections represent important first steps towards creating a fairer platform economy in Paraguay.

It is important to mention that representatives of MUV and PedidosYa engaged in a constructive dialogue with the Fairwork Paraguay research team throughout the whole research process, providing evidence that facilitated the scoring of these platforms. The research team considers that this engagement is a good practice that can contribute to enhancing transparency about corporate practices in the platform economy. We, therefore, hope that in the second round of Paraguay ratings more platforms will follow the examples of MUV and PedidosYa.

MUV
A 100 per cent Paraguayan app committed to creating equal opportunities and fighting discrimination.

MUV was the first digital ride-hailing app operating in Paraguay, being officially launched in 2018 in response to the necessity of providing new mobility systems in the country. Uber entered the market almost a year later.

It is important to point out that due to its local nature, MUV has forged alliances with public and private actors to the benefit of workers and passengers. During the pandemic, MUV formed an alliance with the Ministry of Industry and Commerce to provide hand sanitisers to its workers free of charge, and forged an alliance with the Teleton Foundation to allow passengers with disability to locate vehicles that could fulfil their needs more easily.

The platform has also taken a strong, public stand against discrimination. Not only is there an explicit zero-tolerance policy for discrimination in MUV’s Terms & Conditions, but there is also a dedicated section on the platform’s website that explicitly takes a stand towards diversity and declares MUV’s commitment to defending equal rights for all people. MUV’s commitment to mitigating discrimination and fostering equal opportunities was also confirmed by the drivers we interviewed, who stated that MUV blocks the accounts of people who have displayed homophobic behaviour. MUV’s measures to mitigate discrimination are especially relevant in the Paraguayan context: Paraguay does not have a general law against all forms of discrimination, and it continues to rank among the less tolerant countries in the region when it comes to LGTBQI+ rights.

In addition to its anti-discrimination policies, MUV has furthermore committed publicly to bridge the gender gap among its drivers and achieving a 50-50 gender distribution of its drivers’ fleet. The platform aims to do this by offering female drivers and passengers a “women filter” function, allowing them to interact only with other women on the platform. Several of the female workers we interviewed highly valued this function.
Lastly, MUV has a 24/7 support service for its drivers, operating under the nickname “Charlie”. Via this support service drivers can appeal platform decisions or negative passenger ratings and ask for help if they have a particular problem. Different drivers’ testimonies valued the effectiveness of the support service because it allows workers to get in touch directly with a human platform representative and to effectively solve problems. The effectiveness of MUV’s support service was highlighted by the workers we interviewed, particularly in relation to other platforms’ chat systems, where workers’ inquiries are often recorded through bots and fed into a ticket system.

Monchis

**Ensuring a minimum income per hour is possible.**

Founded in 2014 in Asunción, Monchis is a food delivery platform that provides “a quick solution for users to order their favourite dishes in a simple and friendly way”. Monchis has a payment policy that stands out in relation to the other digital economy platforms we rated, with a section in its contract that establishes an explicit minimum hourly payment of 13,000 Guaraníes (VAT included) for its delivery workers. Once a worker completes eight deliveries per day, the hourly payment reduces to 12,500 Guaraníes (VAT included) per completed delivery. While Monchi’s guaranteed hourly rate is currently not high enough to ensure that all workers earn at least the local minimum wage after costs, we nevertheless consider the practice of paying workers an hourly rate (and hence remunerating workers also for their waiting time) as an important step for creating better conditions for workers in the Paraguayan platform economy.

PedidosYa

**International platforms can establish a national legal presence.**

PedidosYa is the only international platform we rated that has established a legal presence in the country, thereby subjecting itself to local law. We consider this to be a good practice that stands out against the widespread practice of multinational platforms which subject worker contracts to the laws of other countries, usually the country where the platform headquarters are based. Subjecting worker contracts to foreign law poses significant barriers to workers’ right to seek legal redress for grievances because workers need to file lawsuits or complaints to foreign authorities in often geographically distant countries, which requires significant financial and legal resources. The example of PedidosYa shows, however, that platforms do have a choice when designing their contracts. Multinational platforms can choose to establish a legal presence in the countries in which they operate and thereby contribute to creating better labour relations in the platform economy.
Workers’ perspectives

Highlighting women’s experiences on digital labour platforms

Documenting and highlighting platform workers’ experiences and conditions is at the forefront of the Fairwork research methodology. Workers’ testimonies are useful to enhance our understanding of platform workers’ otherwise highly invisible experiences, and how these are shaped by platform practices. The following graphics showcase central characteristics of the workers. After that, we present worker testimonies related to the fourth Fairwork principle ‘fair management’.

These testimonies highlight in particular women workers’ experiences of discrimination by customers as well as the challenges they experience when trying to communicate with platforms. At the same time, the worker testimonies highlight how these gendered experiences of discrimination and insecurity have also fostered collective organisation among women workers on various apps. The focus on women workers’ experiences of platform work reflects TEDIC’s commitment to adopting a gender lens in our research and advocacy activities. To protect workers’ identity, all names of workers providing testimony in this section have been changed.

Figure 2. Age distribution of interviewed workers

Figure 3. Gender distribution of interviewed workers

Figure 4. Education levels of interviewed workers
Discrimination by customers

Sarah is a 45-year-old female rider on the food delivery platform PedidosYa. She has been working on the platform for almost two years, having decided to join the platform as a source of income to support her family. She states that although there is no direct discrimination from the platform, problematic situations frequently arise in workers’ interactions with clients and restaurant staff. In the interview, she told us about two of her colleagues’ experiences who were discriminated against by customers for their appearance and sexual orientation:

“My friend, who is a lesbian [...] the people in restaurants look at her with hate. Another friend of mine also experienced discrimination [...]. The customer told her she was a man [not a woman, as says on the app], so she was blocked for two weeks in the app because you see who is going to take your order, you see their name. I don’t know why that customer was so stubborn about her. And she is a woman and that’s why she was blocked.”

A similar story was reported by Ana, a 40-year-old worker who has been working on the platform for over a year. Ana decided to join the platform by recommendation of a friend and because she liked the flexible working hours. She also highlights discrimination by customers as a problem on the platform:

“I have a colleague, who has shaved her hair and looks like a man and once a client reported her because she was supposedly a man and not a woman as the app said. The client accused my colleague of renting an account and because of that she was suspended for a week and almost had her account cancelled. With my colleagues, we protested a lot through WhatsApp with the coordinators and made noise but individually.”

As Ana’s testimony indicates, platform workers have started to organise to contest discrimination by customers and to demand support from the platform. Currently, workers’ collective actions are spontaneous and address problems with the platform on an ad hoc basis. Nevertheless, workers’ actions reflect the relations of solidarity among riders on the platforms, which could build the base for more systematic forms of collective organising.

Computers’ interaction is simply not enough

Catalina is a 30-year-old driver on a ride-hailing platform. She has been driving for the platform inDriver for more than two months. She decided to join inDriver as a way to diversify her source of income and as a complementary app, since she works in several ride-hailing transportation applications at the same time.

In our interview, Catalina highlighted communication with the platform as one main negative experience of being a platform worker. She noted that it is very difficult to get in touch with the platform and especially with a human representative. Catalina told us that the platform does not have a direct helpline through which workers can contact the platform for support in emergencies. Therefore, she experiences working for the platform as less secure than working for other ride-hailing platforms, which have SOS buttons and emergency phone numbers.

“In Bolt you can contact support but not call them by phone. You can only contact them via messages, and they answer when they feel like it. The platform I work for is also like that. The support only answers when they feel like it, and you can tell it’s all automated, that is, super-artificial intelligence.”

A lack of support from platforms in emergency situations particularly affects women and contributes to psychological stress due to a constant feeling of insecurity in the face of the various risks women drivers face – from being sexually harassed or assaulted by passengers to being robbed.
Women workers’ gendered experiences of discrimination and insecurity, coupled with a lack of support and security measures from platforms, have given rise to new forms of grassroots collective organisation across platforms, especially in the ride-hailing sector. ‘LadyDriver’ is a WhatsApp group that aims to connect women drivers across the country to help each other in the face of a problem.

Using the group, women drivers can share their locations in real time so their movements can be tracked by other group members. Women drivers state that they use this mechanism, particularly when asked to go to so-called “zonas rojas” (red zones); that is areas that are perceived as particularly insecure, as explained by inDriver driver Catalina:

“I’m in a WhatsApp group of women – it’s a way to take care of each other, especially among women. There you can share your location in real-time and someone who is not working watches and is alert in case you ask for help.”

Besides using the WhatsApp group as a security mechanism, workers in the group also help each other out in different other work-related challenges. Since members come from various professional backgrounds, they exchange a broad range of services related to marketing, accounting, dealing with car problems and even law enforcement. Catalina describes the solidarity-based exchange:

“As we are many people and there is so much variety of careers, of knowledge, then for anything we support each other. That is, if you have a problem, for example, (...) I have to polish my car, and so I ask in the group who polishes or who knows someone who polishes vehicles well (...), and there is someone who can help you with that. If you have a mechanical problem, there are girls who understand mechanics and they support you, and they go with you and help you.”

Josefina, a 30-year-old Uber driver, also values the LadyDriver group. She describes how workers use the WhatsApp group to provide support to each other in emergencies:

“Two days ago, for example, one of our colleagues was hit by a car and immediately one of our colleagues, who is a lawyer, was just nearby and she left (...) to help her (...). Another colleague went to give her (...) emotional support. In other words, our group of girls, at least, there is support from all...”
areas. There are girls who are accountants, there are girls who are in marketing, in other words, there is a bit of everything in the group.”

Moreover, there is a general appreciation of the sense of belonging and security provided by being part of the platform, as summed up by Monica, a 25-year-old Uber driver:

“I use the girl group a lot to consult on how to get things done with the platform. I feel very cared for among the LadyDrivers.”

In summary, the LadyDriver initiative constitutes an interesting example of the intersection of gender, technology, collective organisation and the platform economy. The effectiveness of LadyDriver comes from a collective necessity of protecting one another from the structural inequalities in the Paraguayan society – that are simply reproduced in the digital realm. While women platform workers are confronted with intersecting challenges of precarious work, unfair platform practices and patriarchal gender relations, their gendered experiences of precarity and insecurity are also giving rise to new forms of digitally mediated collective organisation. LadyDriver can therefore provide a glimpse into alternative forms of digitally mediated social relations that are based on solidarity rather than on a profit logic, and which can lay the grounds for broader collective movements for a fairer platform economy in Paraguay.
Pathways of change

The first Fairwork ratings for Paraguay constitute an innovative effort to shed light on the current situation of the platform economy in the country. It builds on exploratory research to further contribute to an understudied field. However, the platform economy is already a reality in Paraguay, and thus, it must be subject to scrutiny and attention from policymakers and wider society.

The Fairwork project aims to engage with a variety of stakeholders to foster positive change towards a fairer platform economy. Fostering dialogue with different stakeholders is also at the core of TEDIC’s strategic approach. As a civil society organisation, TEDIC aims to promote a multi-stakeholder approach to solving complex policy problems at the intersection of technology and human rights.

With this report, we, firstly, call upon platforms to consider the necessities and problems reflected in workers’ testimonies and in the overall low scores achieved. We strongly encourage platforms to revise their policies to provide better working conditions for workers. The five Fairwork principles can guide platforms to improve their existing corporate practices. It is important to recognise that for this first Fairwork report for Paraguay, two platforms, MUV and PedidosYa, have shown constant openness and willingness to engage in a collective dialogue with Fairwork researchers, and to provide necessary evidence and information to support the scoring process. We hope that in the next round of ratings we will see similar engagement from other platforms, in order to stimulate positive changes across the platform economy and to ensure basic labour rights for workers.

Second, we call upon consumers to make informed and socially responsible choices when using the services of digital labour platforms. This includes taking seriously the realities and necessities of workers, and making decisions that are guided by more than simple economics. Consumers can choose and thereby reward those platforms with better labour practices, and thereby promote a better work environment that will ultimately also benefit them with a better service. Consumers’ informed decision-making can thereby improve the insecurity currently experienced both by workers and customers in the platform economy.
Third, policymakers and legislators in Paraguay need to develop regulation of platforms’ services and platform work as a new and growing sector of the economy. On the one hand, there are valuable – but as yet insufficient – analyses and recommendations from competition authorities and municipal ordinances that introduce or recommend regulations through the lens of competition law or transportation regulation. However, the existing regulations are to be found exclusively in civil law, and not in labour law. This regulatory void with regard to working conditions in the platform economy creates a hazardous work environment with little to no opportunities for workers to claim basic labour standards and rights. To develop evidence-based and effective regulations more and better official data about the platform economy in Paraguay is needed. The National Statistics Institute and the Ministry of Labour, Employment and Security, therefore, need to start collecting data on the platform economy as a first step towards developing evidence-based policies to regulate platform work in Paraguay.

Lastly, workers and unions still face a long road ahead. Although some worker associations and unions exist that seek to organise platform workers – such as the SINACTRAM – they are still nascent. It is the hope of the Fairwork research team to build bridges to continue producing useful information that can shed light on workers’ conditions, in order to provide collective worker organisations with data that can guide their activism and collective demands.

Figure 6: Fairwork’s principles: continuous worker-guided evolution

- Changes to Principles (agreed at annual Fairwork symposium that brings together all country teams)
- Periodic International Stakeholder Consultations (involving gig workers’, workers’ organisations, cooperatives, etc)
- Annual Country-level Stakeholder Consultations (involving gig workers’, workers’ organisations, cooperatives, etc)
- Yearly Fieldwork across Fairwork Countries (involving surveys and in-depth interviews of gig workers)
- Ongoing Advocacy Efforts (involving campaigns for worker rights and support to workers’ organisations)
The Fairwork Paraguay research team expects to continue applying the Fairwork methodology in the country. For next year’s ratings, we aim to include more platforms in the analysis and to also include the experiences and realities of workers outside the capital.

There is nothing inevitable about poor working conditions in the platform economy. Notwithstanding their claims to the contrary, platforms have substantial control over the nature of the jobs that they mediate. Workers who find their jobs through platforms are ultimately still workers, and there is no basis for denying them the key rights and protections that their counterparts in the formal sector have long enjoyed. Our scores show that the platform economy, as we know it today, already takes many forms, with some platforms displaying greater concern for workers’ needs than others. This means that we do not need to accept low pay, poor conditions, inequity, and a lack of agency and voice as the norm. We hope that our work – by highlighting the contours of today’s platform economy – paints a picture of what it could become.
The Fairwork Pledge

As part of this process of change, we have introduced the Fairwork pledge. This pledge leverages the power of organisations’ procurement, investment, and partnership policies to support fairer platform work. Organisations like universities, schools, businesses, and charities who make use of platform labour can make a difference by supporting the best labour practices, guided by our five principles of fair work. Organisations who sign the pledge get to display our badge on company materials.

The pledge constitutes two levels:

The first is as an official Fairwork Supporter, which entails publicly demonstrating support for fairer platform work, and making resources available to staff and members to help them in deciding which platforms to engage with.

A second level of the pledge entails organisations committing to concrete and meaningful changes in their own practices as official Fairwork Partners, for example by committing to using better-rated platforms where there is a choice. More information is available on the Pledge, and how to sign up, on the Fairwork website.

More information on the Pledge, and how to sign up, is available at Fair.Work/pledge
Appendix

Fairwork scoring system

Which companies are covered by the Fairwork principles?

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”\(^40\). 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”\(^41\). Marketplaces that do not facilitate labour exchanges—for example, Airbnb (which matches owners of accommodation with those seeking to rent short term accommodation) and eBay (which matches buyers and sellers of goods)—are obviously excluded from the definition. The ILO’s definition of “digital labour platform” is widely accepted and includes many different business models\(^42\).

Fairwork’s research covers digital labour platforms that fall within this definition that aim to connect individual service providers with consumers of the service through the platform interface. Fairwork’s research does not cover platforms that mediate offers of employment between individuals and employers (whether on a long-term or on a temporary basis).

Fairwork distinguishes between two types of these platforms. The first, is ‘geographically-tethered’ platforms where the work is required to be done in a particular location such as delivering food from a restaurant to an apartment, driving a person from one part of town to another or cleaning. These are often referred to as ‘gig work platforms’. The second is ‘cloudwork’ platforms where the work can, in theory, be performed from any location via the internet.

The thresholds for meeting each principle are different for location-based and cloudwork platforms because location-based work platforms can be benchmarked against local market factors, risks/harms, and regulations that apply in that country, whereas cloudwork platforms cannot because (by their nature) the work can be performed from anywhere and so different market factors, risks/harms, and regulations apply depending on where the work is performed.

The platforms covered by Fairwork’s research have different business, revenue and governance models including employment-based, subcontractor, commission-based, franchise, piece-rate, shift-based, and subscription models. Some of those models involve the platforms making direct payments to workers (including through sub-contractors).
How does the scoring system work?

The five Principles of Fairwork were developed through an extensive literature review of published research on job quality, stakeholder meetings at UNCTAD and the ILO in Geneva (involving platform operators, policymakers, trade unions, and academics), and in-country meetings with local stakeholders.

Each Fairwork Principle is divided into two thresholds. Accordingly, for each Principle, the scoring system allows the first to be awarded corresponding to the first threshold, and an additional second point to be awarded corresponding to the second threshold (see Table 1). The second point under each Principle can only be awarded if the first point for that Principle has been awarded. The thresholds specify the evidence required for a platform to receive a given point. Where no verifiable evidence is available that meets a given threshold, the platform is not awarded that point.

A platform can therefore receive a maximum Fairwork score of ten points. Fairwork scores are updated on a yearly basis; the scores presented in this report were derived from data pertaining to the 12 months between March and October of 2022.

Table 1 Fairwork: Scoring System

<table>
<thead>
<tr>
<th>Principle 1: Fair Pay</th>
<th>Ensures workers earn at least the local minimum wage after costs</th>
<th>Ensures workers earn at least a local living wage after costs</th>
<th>2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principle 2: Fair Conditions</td>
<td>Mitigates task-specific risks</td>
<td>Provides a safety net</td>
<td>2</td>
</tr>
<tr>
<td>Principle 3: Fair Contracts</td>
<td>Provides clear and transparent terms and conditions</td>
<td>Ensures that no unfair contract terms are imposed</td>
<td>2</td>
</tr>
<tr>
<td>Principle 4: Fair Management</td>
<td>Provides due process for decisions affecting workers</td>
<td>Provides equity in the management process</td>
<td>2</td>
</tr>
<tr>
<td>Principle 5: Fair Representation</td>
<td>Assures freedom of association and the expression of collective worker voice</td>
<td>Supports democratic governance</td>
<td>2</td>
</tr>
</tbody>
</table>

Maximum possible Fairwork Score 10/10
Principle 1: Fair Pay

1.1 Ensures workers earn at least the local minimum wage after costs (one point)

Platform workers often have substantial work-related costs to cover, such as transport between jobs, supplies, or fuel, insurance, and maintenance on a vehicle. Workers’ costs sometimes mean their take-home earnings may fall below the local minimum wage. Platforms must ensure that work-related costs do not push workers below local minimum wage.

The platform must ensure:
- Workers earn at least the local minimum wage, or the wage set by collective sectoral agreement (whichever is higher) in the place where they work, in their active hours, after costs.

Presidential Decree No. 7270/2022 sets the minimum wage for miscellaneous activities at 2,550,307 Guaraníes and the daily wage at 98,098 Guaraníes. Article 2 of this decree establishes that the regulation of minimum wages and salaries will be for tasks and services during daylight hours, in eight-hour working days. This means that per hour, a worker should receive 12,262 Guaraníes.

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

In some places, the minimum wage is not enough to allow workers to afford a basic but decent standard of living. To achieve this point, platforms must ensure that work-related costs do not push workers below local living wage.

The platform must ensure:
- Workers earn at least a local living wage, or the wage set by collective sectoral agreement (whichever is higher) in the place where they work, in their active hours, after costs.

For the first edition of the Fairwork report in Paraguay, the research team has defined the living wage rate for Paraguay as 16,681 Guaraníes per hour based on union’s demands for an increased minimum wage that would cover workers’ needs. In the face of rampant inflation, unions’ demands ranged from a monthly wage of 2,939,324 to 4,000,000 Guaraníes. To calculate the living wage rate for this report, the average of both monthly values was calculated and divided by the number of regular working hours per month.

Principle 2: Fair Conditions

2.1 Mitigates task-specific risks (one point)

Platform workers may encounter a number of risks in the course of their work, including accidents and injuries, harmful materials, and crime and violence. To achieve this point, platforms must show that they are aware of these risks and take steps to mitigate them.

The platform must satisfy the following:
- There are policies or practices in place that protect workers’ health and safety from task-specific risks.
- Platforms take adequate, responsible and ethical data protection and management measures, laid out in a documented policy.

2.2 – Provides a safety net (one additional point)

Platform workers are vulnerable to the possibility of abruptly losing their income as the result of unexpected or external circumstances, such as sickness or injury. Most countries provide a social safety net to ensure workers don’t experience sudden poverty due to circumstances outside their control. However, platform workers usually don’t qualify for protections such as sick pay, because of their independent contractor status. In recognition of the fact that most workers are dependent on income they earn from platform work, platforms can achieve this point by ensuring that workers are compensated for loss of income due to inability to work.

The platform must satisfy BOTH of the following:
- Platforms take meaningful steps to ensure that workers are compensated for income loss due to inability to work commensurate with the worker’s average earnings over the past three months.
- Where workers are unable to work for an extended period due to unexpected circumstances, their standing on the platform is not negatively impacted.

Principle 3: Fair Contracts

3.1 Provides clear and transparent terms and conditions (one point)

The terms and conditions governing platform work are not always clear and accessible to workers. To achieve this point, the platform must demonstrate that workers are able...
to understand, agree to, and access the conditions of their work at all times, and that they have legal recourse if the other party breaches those conditions.

The platform must satisfy ALL of the following:

• The party contracting with the worker must be identified in the contract, and subject to the law of the place in which the worker works.

• The contract is communicated in full in clear and comprehensible language that workers could be expected to understand.

• The contract is accessible to workers at all times.

• Every worker is notified of proposed changes in a reasonable timeframe before changes come into effect; and the changes should not reverse existing accrued benefits and reasonable expectations on which workers have relied.

3.2 – Ensures that no unfair contract terms are imposed (one additional point)

In some cases, especially under ‘independent contractor’ classifications, workers carry a disproportionate amount of risk for engaging in a contract with the service user. They may be liable for any damage arising in the course of their work, and they may be prevented by unfair clauses from seeking legal redress for grievances. To achieve this point, platforms must demonstrate that risks and liability of engaging in the work is shared between parties.

Regardless of how the the contractual status of the worker is classified, the platform must satisfy BOTH of the following:

• Takes appropriate steps to ensure that the contract does not include clauses which exclude liability for negligence nor unreasonably exempt the platform from liability for working conditions.

• Takes appropriate steps to ensure that the contract does not include clauses which prevent workers from effectively seeking redress for grievances which arise from the working relationship.

Principle 4: Fair Management

4.1 Provides due process for decisions affecting workers (one point)

Platform workers can experience arbitrary deactivation; being barred from accessing the platform without explanation, and potentially losing their income. Workers may be subject to other penalties or disciplinary decisions without the ability to contact the service user or the platform to challenge or appeal them if they believe they are unfair. To achieve this point, platforms must demonstrate an avenue for workers to meaningfully appeal disciplinary actions.

The platform must satisfy ALL of the following:

• There is a channel for workers to communicate with a human representative of the platform. This channel is documented in a contract and available on the platform interface. Platforms should respond to workers within a reasonable timeframe.

• There is a process for workers to meaningfully appeal low ratings, non-payment, payment issues, deactivations, and other penalties and disciplinary actions. This process is documented in a contract and available on the platform interface.

In the case of deactivations, the appeals process must be available to workers who no longer have access to the platform.

Workers are not disadvantaged for voicing concerns or appealing disciplinary actions.

4.2 – Provides equity in the management process (one additional point)

The majority of platforms do not actively discriminate against particular groups of workers. However, they may inadvertently exacerbate already existing inequalities in their design and management. For example, there is a lot of gender segregation between different types of platform work. To achieve this point, platforms must show not only that they have policies against discrimination, but also that they seek to remove barriers for disadvantaged groups, and promote inclusion.

Platforms must satisfy ALL of the following:

• There is a policy which ensures the platform does not discriminate on grounds such as race, social origin, caste, ethnicity, nationality, gender, sex, gender identity and expression, disability, religion or belief, age or any other status.

• Where persons from a disadvantaged group (such as women) are significantly under-represented among a pool of workers, it seeks to identify and remove barriers to access by persons from that group.

• It takes practical measures to promote equality of opportunity for workers from disadvantaged groups.
including reasonable accommodation for pregnancy, disability, and religion or belief.

- If algorithms are used to determine access to work or remuneration or the type of work and pay scales available to workers seeking to use the platform, these are transparent and do not result in inequitable outcomes for workers from historically or currently disadvantaged groups.

- It has mechanisms to reduce the risk of users discriminating against workers from disadvantaged groups in accessing and carrying out work.

- It takes practical measures to promote equality of opportunity for workers from disadvantaged groups, including reasonable accommodation for pregnancy, disability, and religion or belief.

- If algorithms are used to determine access to work or remuneration, these are transparent and do not result in inequitable outcomes for workers from historically or currently disadvantaged groups.

- There is a documented mechanism for the expression of collective worker voice.

- There is a formal policy of willingness to recognise, or bargain with, a collective body of workers or trade union, that is clearly communicated to all workers.\(^3\)

- Freedom of association is not inhibited, and workers are not disadvantaged in any way for communicating their concerns, wishes and demands to the platform.\(^4\)

### 5.2 Supports democratic governance (one additional point)

While rates of organisation remain low, platform workers’ associations are emerging in many sectors and countries. We are also seeing a growing number of cooperative worker-owned platforms. To realise fair representation, workers must have a say in the conditions of their work. This could be through a democratically governed cooperative model, a formally recognised union, or the ability to undertake collective bargaining with the platform.

The platform must satisfy at least ONE of the following:

- Workers play a meaningful role in governing it.
- It publicly and formally recognises an independent collective body of workers, an elected works council, or trade union.
- It seeks to implement meaningful mechanisms for collective representation or bargaining.

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**Principle 5: Fair Representation**

**5.1 Assures freedom of association and the expression of worker voice (one point)**

Freedom of association is a fundamental right for all workers, and enshrined in the constitution of the International Labour Organisation, and the Universal Declaration of Human Rights. The right for workers to organise, collectively express their wishes – and importantly – be listened to, is an important prerequisite for fair working conditions.

However, rates of organisation amongst platform workers remain low. To achieve this point, platforms must ensure that the conditions are in place to encourage the expression of collective worker voice. Whether or not platforms set the terms on which workers are retained by service users, platforms must demonstrate that they have taken appropriate steps to ensure that workers are informed of their rights (and have mechanisms in place to help protect those rights) and that workers are directed to appropriate collective bodies or trade unions.

Platforms must satisfy ALL of the following:

- There is a documented mechanism for the expression of collective worker voice.
- There is a formal policy of willingness to recognise, or bargain with, a collective body of workers or trade union, that is clearly communicated to all workers.\(^3\)
- Freedom of association is not inhibited, and workers are not disadvantaged in any way for communicating their concerns, wishes and demands to the platform.\(^4\)
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11 The study groups digital platforms in ten categories: transportation, with eight applications; delivery, with 16 applications; lodging, with two applications; tax and financial support services, with two applications; health services, with two applications; cleaning services, with one application; professional services, with two applications; audiovisual, with one application; scheduling services, with one application; commerce, with eight applications.
13 Fairwork focuses on ‘digital labour platforms’, i.e. companies that mediate and facilitates ‘labour exchange between different users, such as businesses, workers and consumers (ILO 2021)’. Digital platforms like Airbnb or eBay—where goods are exchanged—are not included within this definition.
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ninguneados-pusimos-pecho-desde-fase-cero


32 More information about the SINACTRAM here https://www.facebook.com/Sinactram/


34 Ultima Hora. MUV, the Paraguayan Uber. ultimahora.com [Internet]. 2018 [cited 2022 Oct 17]; Available from: https://www.ultimahora.com/muv-el-uber-paraguayo-n1702720.html


41 ILO 2021 report, p.107


43 Work-related costs include direct costs the worker may incur in performing the job. This may include, for instance, transport in between jobs, supplies, vehicle repair and maintenance, fuel, road tolls and vehicle insurance. However, it does not include transport to and from the job (unless in-between tasks) nor taxes, social security contributions or health insurance.

44 The ILO defines minimum wage as the “minimum amount of remuneration that an employer is required to pay wage earners for the work performed during a given period, which cannot be reduced by collective agreement or an individual contract.” Minimum wage laws protect workers from unduly low pay and help them attain a minimum standard of living. The ILO’s Minimum Wage Fixing Convention, 1970 (C135) sets the conditions and requirements of establishing minimum wages and calls upon all ratifying countries to act in accordance. Minimum wage laws exist in more than 90 per cent of the ILO member states.

45 In addition to direct working hours where workers are completing tasks, workers also spend time performing unpaid activities necessary for their work, such as waiting for delivery orders at restaurants and travelling between jobs. These indirect working hours are also considered part of active hours as workers are giving this time to the platform. Thus, ‘active hours’ are defined as including both direct and indirect working hours.

46 In order to evidence this, where the platform is responsible for paying workers the platform must either: (a) have a documented policy that ensures the workers receive at least the local minimum wage after costs in their active hours; or (b) provide summary statistics of transaction and cost data evidencing all workers earn a minimum wage after costs.

47 Where a living wage does not exist, Fairwork will use the Global Living Wage Coalition’s Anker Methodology to estimate one.

48 In order to evidence this, where the platform is responsible for paying workers the platform must either: (a) have a documented policy that ensures the workers receive at least the local living wage after costs in their active hours; or (b) provide summary statistics of transaction and cost data evidencing all workers earn a minimum wage after costs.

49 Article 5 of Ministry of Labour Resolution No. 957/2022 provides that the daily remuneration of a daily wage worker shall not be less than the amount resulting from dividing the minimum monthly wage by 26 (twenty-six), in accordance with the provisions of Article 232, paragraph a) of the Labour Code.

50 Where the platform directly engages the worker, the starting point is the ILO’s Occupational Safety and Health Convention, 1981 (C155). This stipulates that employers shall be required “so far as is reasonably practicable, the workplaces, machinery, equipment and processes under their control are safe and without risk to health”, and that “where necessary, adequate protective clothing and protective equipment [should be provided] to prevent, so far as is reasonably practicable, risk of accidents or of adverse effects on health.”

51 The ILO’s Maritime Labour Convention, 2006 (MLC 2006), Reg. 2.1, and the Domestic Workers Convention, 2011 (C189), Articles 7 and 15, serve as helpful guiding examples of adequate provisions in workers’ terms and conditions, as well as worker access to those terms and conditions.

52 Workers should have the option of escalating grievances that have not been satisfactorily addressed and, in the case of automated decisions, should have the option of escalating it for human mediation.

53 For example, “[the platform] will support any effort by its workers to collectively organise or form a trade union. Collective bargaining through trade unions can often bring about more favourable working conditions.”
