



GIG ECONOMY



WHAT IS THE GIG ECONOMY?

The gig economy refers to a form of economy based on the performance of specific tasks or services within a defined period, where service providers and consumers can transact directly at a more cost-effective and flexible rate / without involving an employer

(Source : Organisation for Economic Co-operation and Development) (OECD))

MAIN FEATURES OF THE GIG ECONOMY

Digital platform

Example :

- Grab
- Foodpanda
- Shopee



Flexible

Example :

- Working hours
- Work location
- Amount of work



Without an employer

Self-employed on a contract basis for services



Inconsistent wages

Based on the market demand



GIG

TYPES OF GIG ECONOMY JOBS

P-HAILING

Delivery of parcels, food, and beverages using motorcycles, scooters, and bicycles

E-HAILING

Passenger transport using vehicles with up to 11 seats via a mobile application

OTHERS

Freelance work, for example serving as an independent interpreter during conferences

THE GIG ECONOMY IN MALAYSIA

The COVID-19 Pandemic



1

The COVID-19 pandemic led many people to turn to the e-hailing and p-hailing sectors to sustain their livelihoods after losing their jobs or income

2

In Malaysia, the term "sharing economy" is used to refer to the gig economy. As such, the Sharing Economy Committee was established under the supervision of the Malaysia Digital Economy Corporation (MDEC) to improve the welfare and social protection of gig workers.





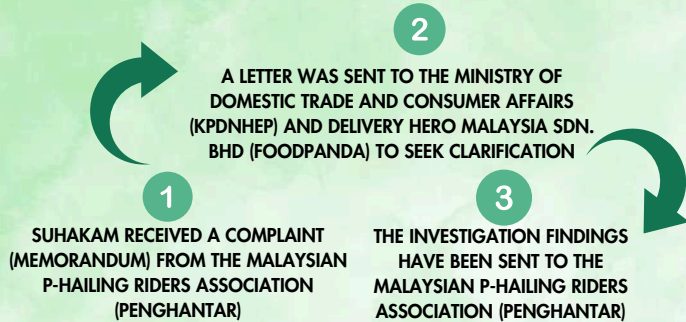
GIG ECONOMY



MEMORANDUM



SUHAKAM INITIATIVES



WEBINAR ON WORKER PROTECTION IN THE GIG ECONOMY (2021)

DIALOGUE WITH E-HAILING AND P-HAILING WORKERS/ASSOCIATIONS (2023 & 2024)

DIALOGUE WITH MINISTRIES, GOVERNMENT AGENCIES, AND RELEVANT ORGANISATIONS (2024)

RESPONSIBILITIES OF COMPANIES/PLATFORM PROVIDERS AND OPPORTUNITIES FOR IMPROVEMENT FOR GIG WORKERS

- 1** **DEFINITION AND CLASSIFICATION OF THE GIG ECONOMY**
There is still no clear definition, and this category of work requires more precise legal recognition
- 2** **LEGAL PROTECTION**
Ambiguous employment status exposes gig workers to potential exploitation, and stronger legal protection is urgently needed
- 3** **SOCIAL PROTECTION**
Limited access to benefits such as SOCSO, EPF, and insurance coverage needs to be expanded to ensure long-term livelihood sustainability
- 4** **COMPLAINT CHANNEL**
No complaint mechanism – a worker-friendly platform needs to be developed to provide space for workers to raise their concerns

- 5** **EMPLOYMENT RIGHTS AND BENEFITS**
This form of employment lacks collective agreements – gig workers need access to rights such as leave entitlements, minimum wage, and freedom of association
- 6** **INCOME INSTABILITY**
Income is inconsistent and fluctuates over time. There is a need to reassess financial security for gig workers
- 7** **WAGE AND PAYMENT STANDARDS**
There is a need to establish fair and reasonable payment rates, including a minimum wage and a regulated fare floor rate.
- 8** **WORK STRESS AND MENTAL HEALTH**
Precarious work and exposure to safety and health risks – gig workers require support in terms of mental health assistance and work-life balance

