



PRESS RELEASE

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New report by REPOA and Oxford University reveals best and worst practices in gig economy

Thursday 11 April 2022 – Dar es Salaam: Thousands of people in Tanzania work in the gig economy, but a new report finds many of these workers face low pay and dangerous conditions. *Bolt, Fixchap, Littleride, Paisha, Piki, and Ping* are the most popular gig economy platforms in Tanzania. They have been rated according to how fairly they treat workers. *Paisha* topped the ranking with a score of 4/10. The study found that most other companies could not prove they meet minimum standards of fair work - such as ensuring all workers earn above the national minimum wage. This is the first study of its kind in Tanzania, scoring companies on labor standards such as pay, conditions, contracts, management, and representation.

REPOA's Executive Director, Dr. Donald Mmari said: "For the first time we have looked at companies offering ride-hailing services, food delivery and artisan services to rate them on how they treat their workers. This provides a helpful guide for regulators and customers using these platforms. In this report, we found *Paisha* is the highest scoring platform as it offers all its workers both minimum and living wages."

Dr. Hilda Mwakatumbula Senior Researcher said, as the gig economy is rapidly growing in Tanzania. It's high time the Government develops policies and regulations that will lead to decent jobs.

The report, "Fairwork Tanzania Ratings 2022" ranks platforms against five principles of fair work, giving each company a score out of ten. The report finds that the majority of the platforms cannot evidence they meet the basic standards of fairness when benchmarked against the Fairwork principles.

Key findings:

- Fair Pay – Only one out of six platforms could evidence that platform workers meet both the local minimum wage and the living wage in Tanzania.
- Fair Conditions – none of the six platforms could evidence that there are adequate strategies that mitigate against all the risks that workers experience (first threshold). For the second threshold, none of the platforms could evidence that there are safety nets for workers, such as adequately compensating them for periods when they cannot work or earn due to sickness, accidents, or unforeseen circumstances.
- Fair Contracts – Three of the six platforms could prove that they provide clear and transparent terms and conditions subject to the law of Tanzania (first threshold). However, for the second threshold, we could not evidence that any of the terms and conditions on the six platforms do not exclude liability or prevent workers from seeking redress for grievances arising out of their work.

- Fair management - While all platforms possess communication channels via the app, mobile, and social network chats, none of the six platforms could evidence that there is a fair due process for decisions affecting workers.
- Fair Representation – While there are growing worker collective bodies such as the Tanzania Online Drivers Association (TODA), we only found evidence for one of the six platforms to assure freedom of association and guarantee the expression of collective worker voice. No platform could evidence that it supports democratic governance, i.e., that workers can contribute meaningfully to the everyday decisions affecting the labour process.

Publishing this study, researchers from REPOA are calling for stronger protections and more robust labour standards in Tanzania’s platform economy.

Ms. Neema Mushi, chairperson of the Tanzania Online Drivers Association (TODA) said they need the training to be able to manage the association as the number of online drivers in the country grows exponentially. Even though previously some platforms were restricting their workers' ability to join the association that has not been the case for the past year.

As part of Fairwork’s commitment to holding platforms accountable for their labor practices, the project has launched the Fairwork Pledge. The pledge aims to encourage other organizations, such as universities, companies, and investors, to announce their public support for decent working conditions in the platform economy, guided by the five principles of Fairwork.

Professor Mark Graham, Professor of Internet Geography at Oxford Internet Institute and Director of Fairwork, said: “The low scores of many popular platforms in the Fairwork Tanzania league table demonstrates the need for regulatory intervention to ensure gig workers are no longer falling through the cracks, further exacerbated through the pandemic. As part of our vision for a fairer future of work, we’re setting out a pathway to realize that ambition through the launch of the Fairwork Pledge. We urge organizations and investors to sign up to the pledge today and help our vision of fair work become a reality for all platform workers.”

Notes for editors:

About the research

The report was funded by the Fairwork foundation. The findings are based on desk research and interviews with platform workers and managers in the Dar es salaam region, between January 2022 and September 2022.

About Fairwork

Fairwork is a global project based at the Oxford Internet Institute and the WZB Berlin Social Science Centre. Through a global network of researchers, Fairwork evaluates working conditions on digital platforms and ranks them based on five principles of fair work. Globally, Fairwork collaborates closely with workers, platforms, advocates, and policymakers to envision and build a fairer future for work.

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