

Road Safety and Social Protection for Food Delivery Riders in the P-hailing Sector

LAILA SURIYA AHMAD APANDI
MOHD DINO KHAIRRI SHARIFFUDDIN
SALWANI ARBAK
SHAZWANIS SHUKRI

MASA POLICY DEVELOPMENT PROGRAMME

POLICY BRIEF 15

Road Safety and Social Protection for Food Delivery Riders in the P-hailing Sector

Laila Suriya Ahmad Apandi
Mohd Dino Khairri Shariffuddin
Salwani Arbak
Shazwanis Shukri

2022

MASA POLICY DEVELOPMENT PROGRAMME

Road Safety and Social Protection for Food Delivery Riders in the P-hailing Sector

© INSTITUT MASA DEPAN MALAYSIA, 2024

All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means, electronic, or mechanical, including photocopy, recording, or any other information storage, and retrieval system without prior permission in writing from Institut Masa Depan Malaysia.

Publisher:



Institut Masa Depan Malaysia (MASA)
192, Jalan Ara, Bukit Bandaraya,
59100 Kuala Lumpur.
Tel: 03-23881059 Fax: 03-23881049
E-mail: mpdp@institutmasa.com

Advisor:

Azril Mohd Amin

Editorial Team:

Marhaini Kamaruddin

Hamidah Atan

Mohamed Azmi Mohd Rasheed Khan

Mohd Noor Musa

Lili Fariza Ariffin

Sim Why Jean

Nurul Aqilah Azman

Muhammad Fadzil Anif

Nur Zalikhaa' Zainal Abidin

Liwani Che Long

Muhammad Haqimie Aiman Rosli

Muhammad Akmal Hamdan

PREFACE

Institut Masa Depan Malaysia (MASA) is an independent think tank that brings together experts in government and academia to provide quality research, policy recommendations, and analysis on the full range of public policy issues guided by the shared prosperity values.

Since its inception, MASA has been actively involved in shaping national policies and frameworks. MASA Policy Development Programme (MPDP) was introduced as a pioneering initiative aimed at promoting policy research among researchers from public and private universities across the country, in alignment with the Shared Prosperity Vision 2030 and the Sustainable Development Goals, which are integrated with the 12th Malaysia Plan.

Through the MPDP 1.0 initiative, 30 Policy Briefs have been successfully produced, encompassing policy input and recommendations across sectors such as economics, social issues, education, and sustainable development.

MASA expresses its gratitude to Dr. Laila Suriya Ahmad Apandi and her team for the production of this policy brief. The commitment of the MPDP grant recipients, along with close cooperation with relevant stakeholders, is highly appreciated and is hoped to continue making a positive impact on national policy development.

Azril Mohd Amin

Chief Executive Officer

Institut Masa Depan Malaysia

ABOUT MASA

Institut Masa Depan Malaysia (MASA) is an independent think tank that brings together experts in government and academia to provide quality research, policy recommendations, and analysis on the full range of public policy issues guided by the shared prosperity values.

MASA was established in January 2019. The formation of the organisation was inspired and mandated by the Seventh Prime Minister, YABhg. Tun Dr Mahathir Mohamad and the Eighth Prime Minister, YB Tan Sri Dato' Haji Muhyiddin Bin Haji Md Yassin. It was founded out of a passion to forward the philosophy of shared prosperity in Malaysia and this region.

MASA also was commissioned by the government of Malaysia to author and develop the Shared Prosperity Vision 2030 plan as the new socioeconomic plan for Malaysia.

Our Vision

To be a thought leader on policy ideas and analysis guided by shared prosperity values.

Our Mission

To create a world where no one is left behind by influencing policymakers to develop data-driven policies that ensure equitable wealth distribution and continuous improvement of people's well-being.

ABOUT MPDP

MASA Policy Development Programme (MPDP) is a pioneering effort in promoting policy research that has become part of MASA's flagship project, in line with the 12th Malaysia Plan which is aligned with the Shared Prosperity Vision and the Sustainable Development Goals.

The research grant, introduced for the first time in 2021, received an encouraging response public and private institutions of higher learning as well as non-governmental organizations.

MPDP researchers have produced studies across various strategic areas, including multidimensional poverty, education for the B40 group, sustainable urban planning for low-income communities, regional inclusivity in Sabah and Sarawak, social enterprise models for Micro, Small and Medium Enterprises (MSMEs), green economy potential and food security.

Other strategic areas of studies include empowerment of the ecotourism sector, climate change, health preparedness and crisis resilience, addressing learning loss, business acceleration, affordable housing and social protection.

All these are reflections of the initiatives and aspirations, inspired by the 8th Prime Minister and Chairman of MASA, Tan Sri Dato' Haji Muhyiddin bin Hj. Md. Yassin.

LIST OF MPDP 1.0 POLICY BRIEFS

| NO | TITLE | PROJECT LEADER |
|----|--|---|
| 1. | Family Digital Citizenship in Pandemic Recovery: Prospects, Challenges, and Policy Considerations | Assoc. Prof. Dr. Nor Diana Mohd Mahudin |
| 2. | Kajian Kelestarian Perusahaan Sosial di Malaysia: Perspektif Pasca Pandemik COVID-19 | Dr. Abu Hanifah bin Ayob |
| 3. | Increasing Medical Specialists in Malaysia: Beware of Vicious Cycle | Asst. Prof. Ts. Dr. Chang Jing Jing |
| 4. | Public Reactions and Acceptability on Carbon Tax Implementation in the Malaysian COVID-19 Economic Recovery Plan | Assoc. Prof. Dr. Izlawanie bt Muhammad |
| 5. | Role of People with Disabilities towards Sustainability of Tourism Sectors in Malaysia | Ms. Kalai Vani A/P Kalimuthu |
| 6. | Pelan Pembangunan Dasar Pengurusan Pendidikan Murid B40 | Dr. Bity Salwana bt Alias |
| 7. | The Adoption of Digital Technology in Micro-Retail Enterprises | Dr. Sharifah Muhairah Shahabudin |

| NO | TITLE | PROJECT LEADER |
|-----|--|--------------------------------|
| 8. | The Impact of COVID-Malaysia's Emergency Mitigation Measure on 10 High-Value Crops | Assoc. Prof. Dr. Fatimah Kayat |
| 9. | Towards Enhancing Sustainability Practices Among SMEs: Awareness and Challenges | Dr. Wahidah bt Shari |
| 10. | The Role of the Share of Energy from Renewable Sources on FDI Inflows | Dr. Goh Lim Thye |
| 11. | Elderly Adaptive City Planning-Bringing the Age-Friendly City Concept to Live | Dr. Nur Aulia Rosni |
| 12. | Micro SMEs Rescue Plan: No One is Left Behind | Dr. Foo Lee Peng |
| 13. | Revitalizing the Urban B40 Communities Through The Development of a Multidimensional Integrated Community Sustainability Planning (ICSP) Framework | Dr. Peter Aning anak Tedong |
| 14. | Grey Matter - An Examination of Malaysians Perspectives Towards Ageism and Impacts of Health | Prof. Dr. Choo Wan Yuen |

| NO | TITLE | PROJECT LEADER |
|-----|--|-------------------------------------|
| 15. | Road Safety and Health Risks of Food Delivery Riders During COVID-Implications and Recommendations | Dr. Laila Suriya Ahmad Apandi |
| 16. | Exploring the Determinants of Community Well-being in Endemic Period: A Comparison Study between Rural and Urban Community | Dr. Naziatul Aziah Mohd Radzi |
| 17. | Social, Economic, and Environmental Factors Determining COVID-19 Severity in Malaysia: Lessons Learnt From Non-Pharmaceutical Interventions (NPIs) | Dr. Teh Bor Tsong |
| 18. | Human Capital Transformation in Talent Management Affecting Kelantan State Employee Performance During Pandemic COVID-19 | Dr. Iskandar Hasan Tan bin Abdullah |
| 19. | Pembangunan Sabah ke Arah Mencapai Kelestarian Hidup Masyarakat dan Kunci Kepada Malaysia Sebagai Negara Maju 2025 | Dr. Mohd Ikbal bin Mohd Huda |

| NO | TITLE | PROJECT LEADER |
|-----|--|--|
| 20. | The Development of Youth Agropreneur Policy and Framework for Food Safety Sustainability and Poverty Reduction | Assoc. Prof. Dr. Sylvia @ Nabila Azwa bt Ambad |
| 21. | Ketahanan dan Kapasiti Adaptasi Sektor Ekopelancongan Terhadap Pandemik COVID-19: Kajian Kes Komuniti Setempat di Pulau Tioman | Dr. Siti Nor Liyana bt Harun |
| 22. | Input Polisi Bagi Penyelesaian Kemiskinan Situasi Untuk Keperluan Pelan Pemulihan Negara (PPN) | Assoc. Prof. Dr. Wan Ahmad Amir Zal bin Wan Ismail |
| 23. | Ruang Hijau Bandar Sebagai Indeks Untuk Dasar Kesihatan Mental Mampan Semasa Pandemik | Assoc. Prof. Dr. Mohd Ramzi bin Mohd Hussain |
| 24. | Assessing Organizational Resources for Post Pandemic Resiliency and Employees' Well-Being | Asst. Prof. Dr. Low Mei Peng |
| 25. | Model T-Digital dalam Memupuk Perpaduan Masyarakat Majmuk di Malaysia | Dr Khairul Azhar bin Meerangani |

| NO | TITLE | PROJECT LEADER |
|-----|---|--|
| 26. | Mental Health Services Mapping for School Going Children and Adolescents | Dr. Tengku Amatullah Madeehah bt Tengku Mohd |
| 27. | COVID-19 Outbreak-Analysis Visualization and Classification of Food Insecurity Among Vulnerable Groups | Assoc. Prof. Dr. Mohd Asrul Affendi Abdullah |
| 28. | Government and Corporate Social Responsibilities for Malaysians' Livelihoods During COVID-19: A Retrospective and Prospective Reflective Analysis of Initiatives in 2020 and Beyond | Dr. Cheong Huey Fen |
| 29. | Sustainable Development Goals (SDG): From STEM to Employability | Prof. Dr. Teoh Sian Hoon |
| 30. | Big Data Analytics (BDA) Capability Model for SMEs: Post COVID-19 | Dr. Mohammad Falahat |

TABLE OF CONTENTS

| | |
|---|----|
| Table of Contents | 1 |
| Biography | 2 |
| Executive Summary | 4 |
| Introduction | 5 |
| The Problems of P-Hailing Industry in Malaysia with reference to Food Delivery Service | 8 |
| Policy Recommendations | 17 |
| References | 21 |

BIOGRAPHY

LAILA SURIYA AHMAD APANDI

Laila Suriya Ahmad Apandi is a Senior Lecturer attached with the Department of International Affairs, School of International Studies, Universiti Utara Malaysia (UUM). She pursued her Masters in International Studies and Diplomacy from School of Oriental and African Studies (SOAS), University of London. Her PhD was from University of Leeds in which she examined the EU's normative power in Southeast Asia with reference to its promotion of regional economic integration and cooperation, and human rights.

MOHD DINO KHAIRRI SHARIFFUDD

Mohd Dino Khairri Bin Shariffuddin is a Associate Professor attached with the Department of Law, Government and International Studies, Universiti Utara Malaysia (UUM). He pursued his Masters in Science Politic, form Universitas Gadjah Mada, Indonesia. His PhD was from University of Leeds in which he examined the politics and international studies. His interest focus on Malaysia political economic, local governance, election, leadership democracy and democratization.

SALWANI ARBAK

Salwani Arbak is an Associate Professor attached at School of International Studies, College of Law, Government and International Studies, University Utara Malaysia. She have vast teaching experience in the area of Port Management, Shipping, International Business, Cargo Insurance and International Logistics. Her research interest include but not restricted to port's strategic management, firm and port competitiveness, port's performance, port's efficiency, port's regional cooperation and port's economics

SHAZWANIS SHUKRI

Shazwanis Shukri is a Senior Lecturer at the Department of International Affairs, School of International Studies, Universiti Utara Malaysia. She obtained her PhD in Politics and International Relations from Cardiff University, United Kingdom; MSc in Strategic Analysis & Security and Bachelor of Social Sciences in International Relations, both from Universiti Kebangsaan Malaysia. Her main research interests and publications focus on security studies, maritime studies, law of the sea and European studies with specialisation on the EU and NATO.

Executive Summary

The purpose of this policy brief is to provide suggestions for improving the p-hailing industry with regards to food delivery riders. It focuses on the road safety risks encountered by food delivery riders and the lack of social protections afforded to these self-employed drivers. This policy brief makes the argument that the existing road safety acts are inadequate to address the growing number of accidents involving delivery riders due to over emphasis on delivery riders. The self-employed status of gig delivery riders could be easily exploited by those who are in favour of cheap contract labour for a short-term period as opposed to employed labour for a long-term period. This resulted in the following policy recommendations: enhancing the safety of delivery riders through sector-specific legislation on p-hailing industry and empowering gig workers through the development of a blue ocean blueprint on the gig economy.

Key Messages and Recommendations

Recommendation 1

- To enhance safety of delivery riders through sector-specific legislation on p-hailing industry.

Recommendation 2

- To empower gig workers through specific blue ocean blueprint on gig economy.

Recommendation 3

- To enables the gig delivery riders to receive minimum social protection.

Introduction

The “parcel hailing” (also known as “p-hailing”) industry is a delivery service industry for food, beverage, and parcels using motorcycle (Ministry of Transport 2020, p.1). It has flourished tremendously during COVID-19 pandemic.

One of the important contributing factors of the booming p-hailing industry in Malaysia during COVID-19 pandemic was its physical mobility to deliver food, beverage, and parcels throughout the restricted movement period. Such mobility capability and capacity have enabled food delivery riders to deliver basic needs of food and beverage to the public.

This crucial service has earned them the title of ‘unsung heroes’. To some including former Housing and Local Government Minister, Zuraida Kamaruddin, they ought to be recognised as ‘frontliners’ (Bernama 2020a) because of their capability and capacity in food delivery service.


The National Security Council further detailed out the standard of procedure for food delivery riders, which comprises employed and gig food delivery riders.

With reference to areas of Enhanced Restricted Movement (PKPD), food delivery service was restricted within the territorial area of such places as stated in the National Recovery Plan. Figure 1 outlines the safety guidelines for motorcycle p-hailing.


Figure 1
Safety Guidelines for Motorcycle P-hailing

COVID-19: MOTORCYCLE P-HAILING GUIDELINES







Food / parcel (p-hailing) delivery riders must be 18 years old / above & have a valid driver's licence




They should not be on the Road Transport Department (RTD) / Royal Malaysia Police (PDRM) blacklist




They must comply with traffic rules & regulations




Motorcycles must be safe for use




Delivery boxes must comply with RTD's prescribed dimensions



Businesses/riders must ensure they are suitably insured




Riders must take care of their health, practise social distancing & contactless payments



Riders must wear a face mask, clean their hands with soap & water / sanitiser solution regularly

If someone has contracted COVID-19, the employer must give their fullest cooperation in contact-tracing to the MOH

Riders with symptoms of COVID-19 must take infection prevention measures / stop working & self-isolate



Delivery boxes must be sanitised daily following Ministry of Health (MOH) guidelines

For complaints / enquiries
E-mail: aduan@mot.gov.my
WhatsApp: 019-2907723
Hotline: 1800-88-7723 (8am - 8pm)
Website: cccovid19.mot.gov.my

The National Security Council (MKN) Hotline: 03-88882010

Published: 21/4/2020

The following Table 1 identifies key stakeholders and describes their respective involvement in p-hailing industry.

Table 1

Key Stakeholders of P-hailing Industry

| Stakeholders | Involvement in P-hailing Industry |
|--|---|
| Employed Delivery Riders | Delivery riders who are employed by food and beverage business operators |
| Gig Delivery Riders | Riders who are registered with platform delivery companies |
| Food and beverage business operators | Food and beverage business operators that offer delivery service |
| Platform delivery companies | Platform companies that provide delivery service |
| Ministry of Transportation | The Ministry that is responsible for regulating road safety |
| Land Public Transport Agency (APAD) | An Agency under the Ministry of Transportation that is responsible for determining and planning land public transport |
| Domestic Trade and Consumer Affairs Ministry | The Ministry that is responsible for regulating domestic trade |
| Ministry of Human Resource | The Ministry that is responsible for regulating labour |
| Pertubuhan Keselamatan Sosial (PERKESO) | A statutory body that provides social security protection |

The Problems of P-Hailing Industry in Malaysia with reference to Food Delivery Service

In April 2020, the Malaysia Ministry of Transportation launched the p-hailing sector by publishing a safety guideline for motorcycle p-hailing services carrying packages and consumer food supplies (Ministry of Transport 2020, p.1). The policy brief focuses solely on food and beverage delivery service (henceforth referred to as “food delivery”).

In principle, the food delivery riders, be it the employed or gig food delivery riders, are anticipated to deliver online ordered products within a certain specified time. Reality wise, ordered products such as food and beverage should be delivered as soon as possible to avoid complaint(s) from customers and penalty(s) from delivery platform companies and food business operators.

This resulted in the alarming risk of road safety with reference to food delivery riders. In addition, the job as food delivery rider entails him or her to be on the road throughout the delivery service. This resulted in the riders being exposed to unpredictable weather including scorching heat and heavy downpour.

Eventually, such occupational nature affects the health of food delivery riders. This basis is the first problem of food delivery service: the job as a food delivery rider is risky in terms of road safety and health.

Accidents among food delivery riders have often been reported in the media. “Based on data from Bukit Aman’s Traffic Investigation and Enforcement Department, 150 accidents and four deaths involving p-hailing riders were recorded during the first three months of the Movement Control Order” (Bernama 2020b).

Norwani Ahmat, an expert in occupational safety and health, further elaborated: “previous studies on accidents involving p-hailing riders have shown that 30 percent of them suffered head injuries, 25 percent leg injuries, 9 percent hand injuries and 4 percent chest injuries” (Bernama 2020b). In essence, a study conducted by Malaysian Institute of Road Safety Research (MIROS) found that “70% of [food delivery riders] disobey traffic rules when they are on a delivery run” (Shivani Supramani 2021).

Other traffic violations committed by some food delivery riders include “beating red lights (16%), using the phone while riding (15%), riding against the traffic (7%), and making illegal U-turns (5%)” as pointed out by the MIROS chairman, Datuk Suret Singh (Shivani Supramani 2021).

Selangor Road Transport Department director, Nazli Md Taib reported: “based on police statistics, between January and August, a total of 321 accident cases involving p-hailing riders nationwide were registered with 36 accidents involving fatal cases” (Bernama 2021a).

Cumulative accidents reported between 2018 and May 2022 showed that “there were 1,242 incidents involving food delivery [riders]” (Carvalho, Tan & Vethasalam 2022). “According to the Transport Ministry, the figure consists of 1,048 light injuries, 82 serious injuries, and 112 deaths involving p-hailing riders” (Carvalho, Tan & Vethasalam 2022).

Despite “various advocacy and safety campaigns to educate [riders] on the need to carry out their delivery jobs safely” (Carvalho, Tan & Vethasalam 2022), the policy brief argues that more should be done.

In particular, the study argues that existing road safety acts are insufficient to address the rising number of accidents among delivery riders because of its over emphasis on delivery riders. Such actions have neglected another two groups of p-hailing industry with reference to food delivery namely food and beverage business operators and delivery platform companies.

This leads to its policy recommendation: enhancing safety of delivery riders through sector-specific legislation on p-hailing industry as to ensure shared responsibility between employed/gig riders and food and beverage business operators/delivery platform companies.

It is important to note that that some initiatives were made by the Ministry of Transport by amending “*Akta Pengangkutan Jalan 1987 (Akta 333)*, *Akta Lembaga Pelesenan Kenderaan Perdagangan 1987 (Akta 334)* and *Akta Pengangkutan Awam Darat 2010 (Akta 715)*” in August 2022 (Mohd Noor 2022).

This supports the argument of policy brief on insufficiency of existing road safety acts to address the rising number of accidents among delivery riders. True to its words, the Ministry of Transportation “tabled amendments to the Land Public Transport Act, Commercial Vehicles Licensing Board Act and Road Transport Act” in October 2022 (Rahim, Carvalho & Vethasalam 2022).

Such amendments include the legalisation of defining p-hailing vehicle, “a motor vehicle used for the carriage of goods on any journey in consideration of a charge for each of the goods” (Rahim, Carvalho & Vethasalam 2022).”

A p-hailing vehicle will also be subject to an intermediation business licence, which allows the licensing board to regulate the operator by imposing conditions, such as ensuring standards and safety measures” (Rahim, Carvalho & Vethasalam 2022).

The notion of imposing specific licensing has enabled the Ministry of Transportation anticipated to attain sufficient data on p-hailing riders including food delivery riders (Parlimen Malaysia 2022: p. 76) as well as the affiliated platform delivery companies as well as food and beverage business operators.

However, conducted research by authors on food delivery riders found that riders are the ones who own vehicles used for delivery service. Neither the platform delivery companies, nor food and beverage business operators provide vehicles for delivery service.

Drawn from this basis, such imposition of licensing would somehow regulate (mengawal selia) one particular actor of the p-hailing industry, the delivery riders. Without the vocational license for p-hailing riders, they could not work as delivery riders.

However, platform delivery companies and food and beverage business operators could simply hire any available riders with aforementioned license. This illustrates how platform delivery companies and food and beverage business operators could get away with such imposition of vocational licensing for p-hailing riders.

This basis supports the argument of policy brief: existing road safety acts are insufficient to address the rising number of accidents among delivery riders because of its over emphasis on delivery riders. On the bright side, however, data based on licensed p-hailing riders would be useful for the Ministry of Transportation to come up with better strategic intervention for the p-hailing industry

The empirical research which authors conducted on road safety of food delivery riders in the Northern Area of Malaysia found that both employed and gig delivery workers experienced similar road safety risks when delivering food and beverage.

However, the protection coverage of food delivery riders varies as per respective group types of riders; gig riders and employed riders.

Such differences are due to the self-employed status of gig riders. Parlimen Malaysia (2021: p.20) defines gig worker: *“Pekerja ekonomi merupakan individu yang bekerja sendiri dan bebas ataupun self-employed and freelance yang tertumpu pada skop kerja dalam tempoh masa yang ditetapkan dengan bayaran yang dipersetujui”*.

As a result, “gig economy workers in [Malaysia] are not included under the definition of a worker under the Employment Act 1955 (Act 265); Labour Ordinance (Sabah Chapter 67) and the Labour Ordinance (Sarawak Chapter 76)” (Bernama 2021c, Parlimen Malaysia 2021: p. 20).

“Under the gig employment system and contract for service as agreed, gig economy workers are not subject to the National Consultative Council Act 2011 (Act 732) and the Minimum Wages Order (PGM) 2020” (Bernama 2021c, Parlimen Malaysia 2021: p. 20).

This, however, is not problematic because authors’ conducted research on food delivery riders found that participated gig delivery riders could earn more than minimum wage stipulated by government of Malaysia between RM1,200 for workers in city council or municipal council area (for the period of 1 May 2022 till 31 15/2022) and RM1,500, the minimum wage rate in Malaysia as gazetted in Minimum Wages Order (MWO) 2022.

The second problem of food delivery service, as argued in this policy brief, is that the self-employed status of gig delivery riders enables them to receive minimum social protection. It is important to note that the Occupational Safety and Health Act 1994 (Act 514) does not cover the occupational safety and health of gig food delivery riders because they are not classified as employed workers (Rasdi 2022).

Nevertheless, Malaysia Digital Economy Blueprint (2021) has sought to ensure the social protection of gig workers via Trust 4 ‘Build agile and competent digital talent’ with reference to Strategy 4 (Economic Planning Unit, Prime Minister’s Department 2021: p. 12).

In essence, it has sought to “introduce long-term social protection for gig workers” (Economic Planning Unit, Prime Minister’s Department 2021: p. 29), which details are shown in Figure 2.

Figure 2

Introducing long term social protection for gig workers



Gig workers, however, do have an option of having own protection by contributing to the Self Employment Social Security Scheme under *Pertubuhan Keselamatan Sosial* (PERKESO), which “is currently enforced the provisions of the Self-Employment Social Security Act 2017” (Norma Mansor 2022).

Authors’ conducted research on food delivery riders found that such contribution could be from their own pocket or partially/fully borne by delivery platform companies and food and beverage business operators. Benefits of contributing to the Self-Employment Social Security Scheme include “medical benefit, temporary disablement benefit, permanent disablement benefit, dependants’ benefit, constant-attendance allowance, funeral benefit, facilities for physical or vocational rehabilitation, and education benefit” (PERKESO 2020).

Authors’ conducted research on food delivery riders found that almost all gig delivery riders (research respondents) contributed to the PERKESO’s Self-Employment Social Security Scheme. This was due to requirements stipulated by the platform delivery companies, which was emphasised during the probation period.

However, benefits of the Self-Employment Social Security Scheme were minimal. It does not include sick leave. In events of being sick, research respondents of gig delivery riders stated that they simply switched off the delivery app. By doing so, gig delivery riders would not earn any income. This contradicts with employed delivery riders who could get a pay when taking sick leave.

In addition to this, the self-employed status of gig delivery riders could be exploited by those who in favour of cheap contract labour for short term period as compared to employed labour for long term period.

Authors' conducted research on food delivery riders found that some fast-food business operators have hired own gig riders to deliver respective own brand of food and beverage because of cheap labour cost by hiring gig riders as compared to employed delivery riders.

In principle, a gig delivery rider should have flexible working hour as well as freedom of independent contractor or self-employed person. Reality wise, a gig delivery rider could be controlled by platform delivery company which has the final say on working hour and 'rule and regulation' of how rider partner should be. This basis supports the argument of the policy brief.

The self-employed status of gig delivery riders could be manipulated by those who in favour of cheap contract labour for short term period as compared to employed labour for long term period.

It shall further argue that more can be done as to empower gig workers including gig delivery riders by producing a policy recommendation: empowering gig workers through specific blue ocean blueprint on gig economy. At the time when this policy brief is written, Malaysia gig economy blueprint is yet to be existed.

Policy Recommendations

(1) Enhancing safety of delivery riders through sector-specific legislation on p-hailing industry

Existing road safety acts are insufficient to address the rising number of accidents among delivery riders because of its over emphasis on delivery riders. It is a high time for government to enhance safety of delivery riders by introducing sector-specific legislation on p-hailing industry.

This is due to limited jurisdiction of the Ministry of Transportation on regulating p-hailing industry. Such limited jurisdiction could not be applied to the legal compliance of platform delivery companies as well as food and beverage business operators because they do not own the delivery vehicle. However, they are the ones who reap the profits of delivery service using riders' vehicle.

Furthermore, the Land Public Transport Agency (APAD) does not have any enforcement power as to regulate p-hailing industry. This is affirmed by Datuk Seri Ir. Wee Ka Siong, former Minister of Transportation, "*APAD diwujudkan tidak ada gigi, penguatkuasaan tidak ada*" (Parlimen Malaysia 2022).

This leads to suggestion of the policy brief to include another government agency which could exert legal influence on platform delivery companies as well as food and beverage business operators, the Domestic Trade and Consumer Affairs Ministry as part of the sector-specific legislation of p-hailing.

By doing this, the sector-specific legislation could address arising matters that beyond the jurisdiction of Transport Ministry notably 'fair' pay between the gig riders and delivery platform companies.

In addition to this, such sector-specific legislation should encourage delivery platform companies to comply with ISO 39001 Road Traffic Safety (RTS) Management, "a standard for organisations to reduce and prevent road fatalities and injuries" (SIRIM QAS International Sdn Bhd 2022). By doing this, it is anticipated to gradually reduce the road safety risks faced by delivery riders.

(2) Empowering gig workers through specific blue ocean blueprint on gig economy

The self-employed status of gig delivery riders could be exploited by those who are in favour of cheap contract labour for short term periods as compared to employed labour for long term periods. In essence, the government of Malaysia should come up with a clear and practical definitional term of gig workers to avoid labour exploitation by platform companies and business operators.

At present, Parlimen Malaysia (2021: p.20) defines gig worker: "*Pekerja ekonomi merupakan individu yang bekerja sendiri dan bebas ataupun self-employed and freelance yang tertumpu pada skop kerja dalam tempoh masa yang ditetapkan dengan bayaran yang dipersetujui*". Such a definition, however, is not supported by any legality.

To avoid further labour exploitation, the policy brief recommends that a specific blue ocean blueprint on gig economy should be produced by the Economic Planning Unit (EPU), the Prime Minister Department because such a blueprint will serve as a coordinated inter-agency mechanism. In particular, the legal definition of gig workers and ways to protect them should be from the Ministry of Human Resource.

However, innovative strategies proposed by the Ministry of Human Resource should not burden the workers themselves (whose ministry jurisdiction is subject to area of gig service such as e-hailing and p-hailing under the jurisdiction of Transport Ministry) and should not jeopardize the competitiveness of platform delivery companies, be it the international based or local home grown (whose jurisdiction belong to the Domestic Trade and Consumer Affairs Ministry).

Such strategies should also complement the Malaysia Digital Economy Blueprint since the gig economy is part of the digital economy.

By doing this, the legal definition of gig workers should be based on the relationship between gig workers and platform companies with reference to “job description, salary, management, and supervision conditions” (Prapan Leanoi 2021).

These indicators are used by Vietnam via New Labor Code 2019, which took effect on 1 January 2021. “Pursuant to the Labor Code 2019, a legally valid employment relationship is deemed to exist even where two parties agree to a document by a different name rather than ‘a labor contract’, as long as the document includes a description of the job, salary, management, and supervision conditions” (Morris 2020).

It is anticipated that specific blue ocean blueprint on gig economy should address disguised employment relationships in the platform economy, which was highlighted by International Labour Organization (2021: p. 67). Also, the suggested specific blue ocean blueprint on gig economy definitely supports the growth of gig economy as a national source of revenue.

References

Bernama (2020a, May 21). Respect all food delivery riders as they too are fronliners. *AstroAwani*. <https://www.astroawani.com/berita-malaysia/respect-all-food-delivery-riders-they-too-are-frontliners-zuraida-243773>

Bernama (2020b, October 28). Safety of p-hailing riders left out in the cold. *The Sun Daily*. <https://www.thesundaily.my/local/safety-of-p-hailing-riders-left-out-in-the-cold-BH4845715>

Bernama (2020c, December 14). *Gig economy rides out COVID-19 storm. Norther Corridor Implementation Authority*. <https://www.ncer.com.my/media-centre/news/gig-economy-rides-out-covid-19-storm/>

Bernama (2021a, October 12). JPJ: 11 road deaths involving p-hailing riders in Selangor this year. *Malay Mail*. <https://www.malaymail.com/news/malaysia/2021/10/12/jpj-11-road-deaths-involving-p-hailing-riders-in-selangor-this-year/2012868>

Bernama (2021b, August 3). Policy paper for p-hailing services to be presented to Cabinet soon. *Astro Awani*. <https://www.astroawani.com/berita-malaysia/policy-paper-phailing-services-be-presented-cabinet-soon-wee-312034>

Bernama (2021c, November 8). Gig economy workers not included under definition of workers, says deputy minister. *Malay Mail*. <https://www.malaymail.com/news/malaysia/2021/11/08/gig-economy-workers-not-included-under-definition-of-workers-says-deputy-mi/2019292>

Borneo Post Online (2020). *Covid-19 – How safe is food delivery services?*. <https://www.theborneopost.com/2020/04/22/covid-19-how-safe-is-food-delivery-services/>

Carvalho, M., T. Tan, & R. Vethasalam. (2022, July 21). 1,242 food delivery rider accidents from 2018 to May 2021. *The Star*. <https://www.thestar.com.my/news/nation/2022/07/21/1242-food-delivery-rider-accidents-from-2018-to-may-2021>

Economic Planning Unit (2021). *Malaysia Digital Economic Blueprint*. Prime Minister's Department. <https://www.epu.gov.my/sites/default/files/2021-02/malaysia-digital-economy-blueprint.pdf>

International Labour Organization. (2021). *Platform labour in search of value: A study of worker's organizing practices and business models in the digital economy*. https://www.ilo.org/global/topics/cooperatives/publications/WCMS_809250/lang-en/index.htm

International Organization for Standardization. (2012). Road traffic safety (RTS) management systems – Requirements with guidance for use (ISO Standard No. 39001:2012). <https://www.iso.org/standard/44958.html>

Minimum Wages Order 2022. (2022). Federal Government Gazette. [https://lom.agc.gov.my/ilims/upload/portal/akta/outputp/1730859/PUA%20140%20\(2022\).pdf](https://lom.agc.gov.my/ilims/upload/portal/akta/outputp/1730859/PUA%20140%20(2022).pdf)

Ministry of Transport. (2020, April 20). *Safety guidelines for motorcycle p-hailing services delivering parcels and consumer food products* [Press release]. [http://cccovid19.mot.gov.my/assets/images/preview/Media_statement_of_YBM_20200420\(1\).pdf](http://cccovid19.mot.gov.my/assets/images/preview/Media_statement_of_YBM_20200420(1).pdf)

Mohd Noor, Mohd Husni. (2022, August 8). Tiga pindaan RUU kawal selia p-hailing. *Utusan Malaysia*. <https://www.utusan.com.my/berita/2022/08/tiga-pindaan-ruu-kawal-selia-p-hailing/>

Mondaq.com. (2021). *Vietnam's NEW Labor Code – 15 Notable Changes Coming Your Way Effective January 2021*. <https://www.mondaq.com/employee-benefits-compensation/969996/vietnam39s-new-labor-code-15-notable-changes-coming-your-way-effective-january-2021>

Norma Mansor. (2022, March 18). Social protection for workers in the informal sector. *Bernama Thoughts*. <https://www.bernama.com/en/thoughts/news.php?id=2062848>

Parlimen Malaysia. (2021, November 8). *Penyata Rasmi Parlimen Dewan Rakyat*. Parlimen Keempat Belas, Penggal Keempat, Mesyuarat Kedua.

Parlimen Malaysia. (2022, October 6). *Penyata Rasmi Parlimen Dewan Rakyat*. Parlimen Keempat Belas, Penggal Kelima, Mesyuarat Ketiga.

PERKESO. (2020). *Self-Employment Social Security Scheme*. <https://www.perkeso.gov.my/uncategorised/51-social-security-protection/818-self-employment-social-security-scheme.html>

Prapan, L. (2021). *How to improve working conditions for gig workers in Thailand?*. International Labour Organization. https://www.ilo.org/global/research/publications/WCMS_819507/lang-en/index.htm

Rahim, R., M. Carvalho, & R. Vethasalam. (2022). P-hailing: Amendments to transport laws tabled in Dewan Rakyat. *The Star*. <https://www.thestar.com.my/news/nation/2022/10/03/p-hailing-amendments-to-transport-laws-tabled-in-dewan-rakyat>

Rasdi, Irniza (2022, July 26). *Risiko Kesihatan Penunggang Khidmat Penghantaran Makanan* [Conference presentation]. AIAAD Kolokium Risiko Keselamatan Jalanraya dan Kesihatan Pengunggang Khidmat Penghantaran Makanan, Malaysia.

Shivani Supramani. (2021, February 7). 70% of p-hailing riders disobey traffic rules while on delivery runs: Miros. *The Sun Daily*. <https://www.thesundaily.my/local/70-of-p-hailing-riders-disobey-traffic-rules-while-on-delivery-runs-miros-JE8024694>



INSTITUT MASA
DEPAN MALAYSIA

© 2022 INSTITUT MASA DEPAN MALAYSIA. All rights reserved.

Institut Masa Depan Malaysia
192, Jalan Ara, Bukit Bandaraya,
59100 Wilayah Persekutuan Kuala Lumpur

For more information, visit our website:
www.institutmasa.com

eISBN 978-629-7928-00-5



9 786297 928005