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P.S.R. No. 862

INTRODUCED BY SENATOR RISA HONTIVEROS

RESOLUTION

CALLING FOR AN INQUIRY IN AID OF LEGISLATION INTO THE REGULATORY FRAMEWORK COVERING ONLINE GIG ECONOMY PLATFORMS, PARTICULARLY THOSE INVOLVED IN FOOD AND PARCEL DELIVERY

WHEREAS, Grab describes itself as the leading superapp in Southeast Asia, operating across the deliveries, mobility and digital financial services sectors, and serving over 500 cities in 8 countries;

WHEREAS, according to a 2022 report published by Fairwork, Grab employs an estimated 65,000 workers in the Philippines and, after Uber's exit from the country in 2018, enjoys *de facto* market dominance within the country's ride-hailing and food delivery industries;

WHEREAS, on October 25, 2023, members of the National Union of Food Delivery Riders ("NUFDR") staged a protest against Grab's fare restructuring program which they said would lower the base fare for food deliveries from Php45.00 to Php35.00, and the per kilometer rate from Php10.00 to Php7.00;

WHEREAS, some delivery riders claimed they were suspended or banned from Grab's platform after joining a protest opposing the company's fare restructuring program;

WHEREAS, in a survey of 1,200 delivery drivers on Grab's online platform, the Asian Development Bank found that the average drivers earned Php5,699.00 per week, with most drivers working 5 days a week, and 3-quarters of them working at least 11 hours per day;

WHEREAS, while the daily income of the average Grab delivery rider is ostensibly higher than the statutory minimum wage, the economic challenges faced by the Philippines this year, as well as the implementation of Grab's fare restructuring program, threaten to erode the purchasing power of their earnings;

WHEREAS, data from the Philippine Statistics Authority states that, in September 2023, inflation rose for the second straight month to 6.1% driven by rising food prices, and away from the government's target range of 2% to 4%;

WHEREAS, this has been accompanied by a rise in self-rated poverty, with the number of households considering themselves poor rising from 11.3 million in March to 13.2 million in September, with 3.9 million of these households reporting having experienced hunger during the 2nd Quarter of the year;

WHEREAS, the Department of Information and Communications Technology ("DICT") has stated that, pursuant to its authority to regulate parcel delivery operators under Presidential Decree No. 240, and Republic Act No. 7354 (otherwise known as the "Postal Service Act"), it has already convened a Technical Working Group ("TWG") to study Grab's revised fare matrix;

WHEREAS, the laws cited by the DICT were issued or passed in 1973 and 1992, respectively, and clearly did not contemplate the rise and proliferation of online gig economy platforms; and

WHEREAS, there is an urgent need to address the gaps in our laws and policies to fulfill the constitutional mandate of the State to fully protect all workers, including those working in the gig economy, and guarantee their rights to self-organization, collective bargaining and negotiations, and peaceful concerted activities, including the right to strike in accordance with law.

NOW THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED TO CALL FOR AN INQUIRY IN AID OF LEGISLATION INTO REGULATORY FRAMEWORK COVERING ONLINE GIG ECONOMY PLATFORMS, PARTICULARLY THOSE INVOLVED IN FOOD AND PARCEL DELIVERY.

Adopted.

Sarepul Senator