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### Decoding India's Gig Economy: Trends, Challenges And The Way Forward

Shreya Seshadri

#### **IBDP Student**

#### **Greenwood High International Bangalore**

#### **Executive Summary**

The Gig economy is a labor market characterized by temporary and part-time positions filled by independent contractors and freelancers instead of full-time permanent employees. Gig workers are individuals who undertake temporary jobs, often in the service sector, working as independent contractors or freelancers. This term is derived from the music industry, where artists perform at "gigs," which are single or short-term engagements. The rise of platforms like Ola, Zomato, and BigBasket has led to the emergence of gig workers.

Gig workers enjoy increased flexibility but lack job security and the benefits provided to traditional employees. Employers save costs by avoiding expenses such as insurance, health care and other statutory benefits for gig workers, as these positions are based on contractual arrangements. The gig economy facilitates the delivery of cheaper and more efficient services, particularly in urban areas where gig platforms are widely used.

In India, the gig economy has seen significant growth, with an estimated 77 lakh (7.7 million) workers engaged in gig work in 2020-21, constituting 2.6% of the non-agricultural workforce. The gig economy is expected to create 23.5 million jobs and generate annual transaction volumes over \$250 billion by 2029-30.1

Gig workers include delivery workers (e.g., Uber, Swiggy), those in the creator economy (designers, freelancers), and freelancers on digital platforms (e.g., TaskRabbit, Mechanical Turk in other markets). While the gig economy offers advantages such as flexibility and independence, it also presents challenges, including job insecurity, skills mismatch, and safety risks.

The gig economy is a crucial factor in India's goal of becoming a \$5 trillion economy by 2025, with the potential to bridge income and unemployment gaps. However, gig workers face issues like unfair pay, poor working conditions, and lack of social security benefits. Some companies, including BigBasket, Flipkart, and Urban Company, have implemented minimum wage policies for gig workers.

Despite the potential benefits, the gig economy also raises concerns about accessibility, job insecurity, and lack of institutional credit avenues for gig workers. The Indian government has introduced the Code on Social Security to extend various benefits to gig workers, but challenges in implementation and clarity on definitions persist.<sup>2</sup>

In summary, the gig economy in India is growing rapidly, contributing to economic growth and job creation. However, challenges such as fair pay, social security benefits, and regulatory frameworks need attention to ensure the well-being of gig workers and sustainable growth in the sector.

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<sup>&</sup>lt;sup>1</sup> https://www.niti.gov.in/sites/default/files/2022-06/25th\_June\_Final\_Report\_27062022.pdf

<sup>&</sup>lt;sup>2</sup> https://labour.gov.in/sites/default/files/ss code gazette.pdf

#### What is the gig economy and who is a gig worker?

As mentioned earlier, the gig economy is a labor market that relies heavily on temporary and part time positions filled by independent contractors and freelancers rather than full-time permanent employees. A gig worker is one who works temporary jobs usually in the service sector as an independent contractor or freelancer. The name is borrowed from the music world where artists book and perform at "gigs" that are single or short-term engagements. The rise of the likes of Ola, Zomato, BigBasket and other quick-commerce firms have brought forth this new category of workers.

Gig workers have increased flexibility and freedom but little to no security. They do not receive the same benefits as employees. Employers save money as they do not have to spend on insurance and other benefits like paid vacation time for the gig workers as these positions are solely on a contractual basis.

The gig economy helps to provide cheaper and more efficient services making it convenient for the users. Cities have highly developed services and have the most gig economy platforms. These days most platforms are technological based but those who do not use these services may be left behind.

Gig workers are much more likely to be part time workers and to work from home. Employers also have a wide range of people to choose from. Employers who cannot afford to hire full-time employees to do all the work that needs to be done will often hire part-time or temporary employees.



Ref - https://pwonlyias.com/current-affairs/gig-economy-in-india/

#### Size of Gig Economy in India

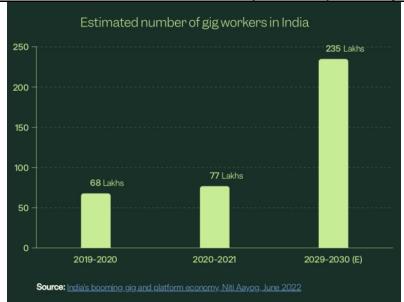
There are no official numbers for the size of India's gig economy, although it is estimated that in 2020-21, 77 lakh (7.7 million) workers were engaged in the gig economy as per NITI Aayog report. They constituted 2.6% of the non- agricultural workforce or 1.5% of the total workforce in India. An estimated 56% of new employment in India is being generated by the gig economy companies across both the blue-collar and white-collar workforce.<sup>3</sup>

By 2030, the government think tank NITI Aayog estimates, the gig economy could employ more than 23.5 million, about 7% of the non-farm workforce and 4% of the total livelihood of India. The employment growth may increase from 46.9 crores to 56.9 crores

The Boston Consulting Group forecast that the gig economy had the potential to create 90 million jobs across all roles and services and annual transaction volumes over \$250 billion by 2029-30.4

<sup>&</sup>lt;sup>3</sup> https://www.niti.gov.in/sites/default/files/2022-06/25th\_June\_Final\_Report\_27062022.pdf

<sup>&</sup>lt;sup>4</sup> https://www.bcg.com/unlocking-gig-economy-in-india

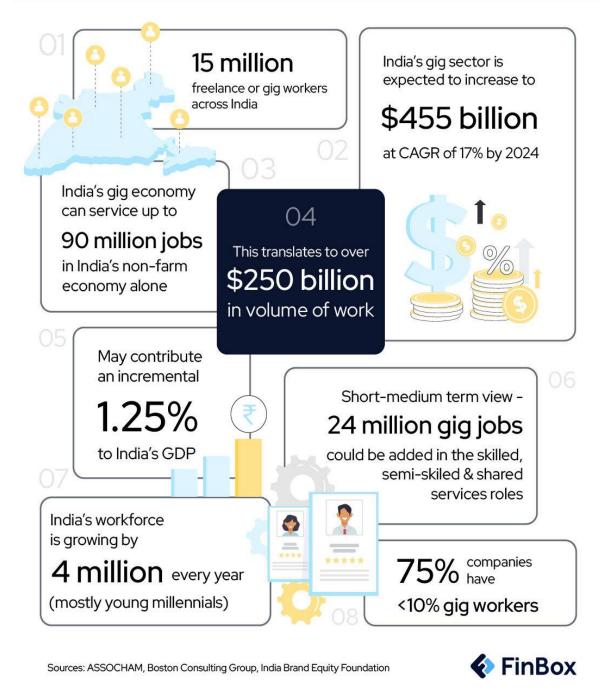


More than 290 million people have registered for an online government portal meant to issue identity cards to gig workers and other unorganized employees, while gathering such details as biometric data and their skills. <sup>5</sup>

While the gig economy is prevalent among blue-collar jobs in India, the demand for gig workers in white-collar jobs such as project-specific consultants, salespeople, web designers, content writers and software developers are also emerging. As India moves towards its stated goal of becoming a USD 5 trillion economy by 2025, the gig economy will be a major building block in bridging the income and unemployment gap.

 $<sup>^{\</sup>bf 5} \ \underline{\text{https://www.businesstoday.in/latest/economy/story/india-plans-welfare-measures-for-gig-workers-ahead-of-elections-394020-2023-08-14} \\$ 

## India's Gig Economy

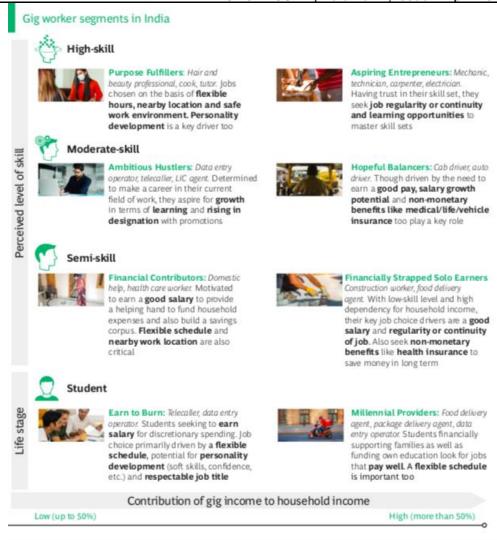


Ref - https://finbox.in/blog/can-gig-workers-drive-new-ideas-for-fintechs-/

#### **Types of Gig Economy Workers**

Typically, there are three types of Gig Economy workers –

- Delivery Workers like Uber, Swiggy, Ola, Urban Company etc.
- Creator Economy Designers, Freelancers
- Freelancers / On-Demand Digital Platform Workers TaskRabbit, Mechanical Turk etc.



Ref - https://media-publications.bcg.com/India-Gig-Economy-Report.pdf

- Delivery Workers- Individuals use their personal vehicles to provide transportation services to passengers or deliver goods through app-based platforms.
- Creator Economy A form of gig work that allows businesses to hire individuals for short-term projects on an as-needed basis.
   This type of gig allows businesses to save money on labor costs, making the gig economy a viable option for them. Temporary work is a form of gig work where the workers are hired in the short-term for specific projects and are hired by employers from various sectors.
- Freelancers The third type is crowdsourcing work, which involves freelancers buying services from other freelancers who
  have completed similar tasks. Contract jobs involve a particular start and end date with guaranteed wages. These jobs can be
  done by professionals or unemployed people looking for self-employment opportunities.<sup>6</sup>

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<sup>&</sup>lt;sup>6</sup> https://todook.io/the-gig-economy-opportunities-and-challenges

#### Contribution of the gig economy and the road ahead

According to a report by the International Labour Organization (ILO), India is the second-largest gig economy in the world, with around 56% of all gig workers in the Asia-Pacific region working in India.<sup>7</sup>

writers, or programmers.

handymen.

According to a report by NASSCOM, the gig economy in India is expected to grow at a Compound Annual Growth Rate (CAGR) of 17% with 23.5 million gig workers and the growth projection of reaching a market size of \$455 billion by 2023 are impressive figures. Although it is uncertain if that projection has been met, the gig economy is predicted to be a significant building block in achieving India's aim to become a \$5 trillion economy by 2025, the reports indicated.<sup>8</sup>

The growth of the gig economy is expected to lead to efficiency and productivity gains, which can contribute up to 1.25% to India's GDP. This indicates that the gig economy can have a significant impact on India's economy by providing employment opportunities and boosting economic growth. The gig economy has already started to make an impact in various sectors, and with further growth and development, it has the potential to create a substantial positive impact on India's economy in a diverse range of sectors and industries.

#### Advantages of the gig economy for businesses

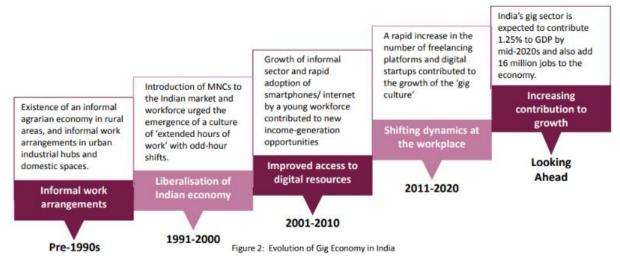
- Minimizing costs- businesses are able to hire off-site workers which significantly reduces the need to maintain large workplaces
  and offices. Hiring independent contractors reduces the costs needed for employee benefit packages, retirement plans and paid
  sick leaves
- Labor force- The gig economy provides a labor force that is able to directly match the company to the freelancer.
- Output production- Individuals who are interested in accumulating extra income are attracted to applying for a position that
  offers a unique work schedule. Such flexibility directly impacts employee motivation, which in turn, creates a positive
  correlation to output production.

<sup>&</sup>lt;sup>7</sup> https://www.isme.in/gig-economy-in-india-drivers-challenges-road-ahead-dr-pooja-nagpal/

<sup>&</sup>lt;sup>8</sup> https://www.nasscom.in/knowledge-center/publications/decoding-gig-economy-emergent-industry-shift-towards-blended-work

#### Advantages for workers

- Independence: workers are not required to work in offices but they can work in their own spaces and according to their schedules and convenience
- Flexibility: workers are allowed to work any hours of the day they desire
- Income: individuals can earn extra income



Ref - https://pwonlyias.com/current-affairs/gig-economy-in-india/

#### **Key Challenges and limitations**

- In terms of the platform gig economy, it is only accessible to people who have access to the internet and technology. This has made the gig economy largely an urban phenomenon.
- Job insecurity- gig economy workers do not get the same benefits from labor regulations relating to wages, working hours and conditions, insurance policies, etc. this leads to widespread fear and uncertainty relating to job security.
- Skills mismatch- varying degrees of vertical and horizontal skill mismatch can be observed in the web-based platforms. According to International Labor Organization (ILO) surveys, workers with higher educational achievements are not necessarily finding work corresponding with their skills.
- Occupational safety risks. This sector of work including the platform gig economy comes with its own safety risks and hazards especially for women in the app-based taxi and food delivery sectors.
- Working conditions on digital platforms are largely regulated by the terms of service agreements. They are characterized by the contractual relationship between the platform owner and worker
- Personal expenses: organizations within the gig economy are not required to cover personal expenses such as fuel used by Zomato, Swiggy delivery partners.
- Tips not being paid to the Gig Economy workers-gig workers usually do not receive fair or consistent tips for the services they offer and as a result this can impact their financial stability.
- Fluctuation and unpredictability of work and income- the gig economy fluctuates in terms of demand and availability of work/tasks for the gig workers. This results in unpredictability of work and income and effects the gig workers' planning and budgeting too.
- Lack of institutional credit avenues for gig workers for loans- gig workers are unable to receive tradition forms of financial resources because of the non-tradition nature of their work and income, due to which they are unable to attain loans for personal or professional purposes.

The government is reportedly asking firms, like Ola, Uber, Swiggy, Zomato and Urban Company, to offer gig workers some social security benefits such as life insurance, personal accident and health covers.<sup>9</sup>

The Central Government is looking to introduce new mandates for these platforms amid a surge in protests by gig workers demanding better salaries and working conditions. Gig workers across the board have rued the lack of social security benefits at these platforms as they are not considered full-time employees of the firms. As such, the companies are not mandated to ensure social security benefits

<sup>9</sup> https://economictimes.indiatimes.com/news/economy/policy/govt-nudging-firms-to-offer-social-security-benefits-to-gigworkers/articleshow/99683942.cms

which they are otherwise entitled to at a full-time job. While many of these platforms have piloted health covers for their workers, most of them are yet to institute any such reforms.

This has resulted in gig workers across companies protesting for better salaries and working conditions. The protests have taken place across the country from Ladakh to Tamil Nadu and from Gujarat to Assam. Multiple incidents involving the death of gig workers onduty have also raised eyebrows. While most of these players act only after the incident, the lack of social safety net has caused discontent among the workers.10

#### Benefits offered by Flipkart

Of course, there are some real Gig Economy friendly initiatives undertaken by companies like Flipkart, Urban Company etc.

At Flipkart, a commitment to creating opportunities and offering industry-ready training for the frontline workforce is evident, particularly during peak shopping seasons like Durga Puja, Diwali, and Christmas. Seasonal hiring drives not only address surges in demand but also provide meaningful employment opportunities, contributing to economic growth.

The integration of 'Pathshala,' a digital learning platform, offers comprehensive induction courses, followed by on-the-job training with mentorship and guidance. The innovative 'GuruKul' simulation tool reduces learning curves and enhances performance. The 'Kool-Gurus' programme ensures ongoing upskilling for the operations team, emphasizing safety, ethics, and compliance training. Active participation in the National Apprenticeship Promotion Scheme (NAPS) and the 'LaunchPad' programme with educational institutions reflects Flipkart's commitment to talent development. Initiatives like the Supply Chain Operations Academy (SCOA) showcase Flipkart's dedication to scaling seasonal operations, nurturing talent, and contributing to industry growth. 11

#### Fair Pay and Fair Work for Gig Economy Workers

While some of these initiatives are really laudable, the challenges of fair treatment, minimum wage requirements and other safety and security concerns still remain as evidenced by Fairworks India Study conducted in 2023.

Bigbasket, Flipkart, and Urban Company were the only platforms with a minimum wage policy to ensure that all their workers earn at least the hourly local minimum wage after factoring in work-related costs.

No platform made the second point of the Fair Pay principle, which requires platforms to provide sufficient evidence that workers earn at least the local living wage after work- related costs, However, Urban Company has made a public commitment to ensure that its workers earn at least the local living wage after factoring in work-related costs (detailed in the Changes in Focus section). 12

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<sup>&</sup>lt;sup>10</sup> https://inc42.com/buzz/provide-soc<u>ial-security-benefits-to-gig-workers-labour-ministry-to-ola-uber-</u> zomato/#:~:text=This%20has%20resulted%20in%20gig.duty%20have%20also%20raised%20eyebrows.

<sup>11</sup> https://www.peoplematters.in/article/strategic-hr/flipkarts-strategies-for-enabling-a-thriving-seasonal-workforce-during-festive-season-39254

<sup>12</sup> https://fair.work/wp-content/uploads/sites/17/2023/11/Fairwork-India-Report-2023.pdf

#### **Unfair pay** All the platforms on Fairwork India's list ensured "fair pay" in 2019; none in 2023 num wage after costs 🤚 🌎 a local living wage after costs Swiggy •0 00 00 00 Zomato 00 00 •• •0 00 00 Dunzo Porter 99 00 00 • 00 00 Ola 20 00 00

Ref - https://the-ken.com/story/bigbasket-on-top-ola-at-bottom-is-fairwork-indias-gig-economy-ranking-fair/

### **Fairwork India Scores 2023**

		Minimum standards of fair work
bigbasket	6/10	••••••
BluSmart	5 /10	•••••00000
Swiggy	5 /10	•••••00000
Urban Company	5 /10	•••••00000
Zomato	5 /10	•••••00000
Zepto	4/10	••••000000
Flipkart	3 /10	•••0000000
Amazon Flex	2 /10	••00000000
Dunzo	1/10	•000000000
Uber	1/10	•000000000
Ola	-	0000000000
Porter	=	000000000

Ref - https://fair.work/wp-content/uploads/sites/17/2023/11/Fairwork-India-Report-2023.pdf

#### Recommendations for the gig economy in India

Given the huge growth and growing Gig Economy workforce in India, it is pertinent to acknowledge the issues and address them to facilitate the rapid growth and its impact to the Indian Economy.

NITI Aayog recommended five-pronged RAISE approach to ensure realization of full access to social security for all gig and platform workers:

- Recognize the varied nature of platform work to design equitable schemes.
- Allow augmentation of social security through innovative financing mechanisms.
- Incorporate, while designing schemes, the specific interests of platforms, factoring the impact on job creation, platform businesses and workers.

- Support workers to subscribe to government schemes and welfare programmes through widespread awareness campaigns.
- Ensure benefits are readily accessible to workers.<sup>13</sup>

#### **Policies**

Gig workers have staged protests over the past few months for fair pay, employment security and better working conditions. A few states in India have taken steps in the direction of regulating the sector. The Rajasthan government has passed an act for the registration and welfare of these workers. It has provisions for the establishment of the Platform-Based Gig Workers Welfare Board. All the platforms, workers, and workers' associations must register with the board. This board will ensure that workers' rights are protected, and grievances settled in a timely manner. The Karnataka government has also rolled out the Karnataka State Gig Workers Insurance Scheme, which provides Rs 2 lakh for life and health insurance each for gig workers at the state's expense. <sup>14</sup>

This was also visible in the Fairwork India report last year which noted that aggregator platforms such as Ola, Uber, and Dunzo were some of the worst performers on the gig workers' index.

Meanwhile, states have been working on their own set of rules to bring gig workers under the safety net. Earlier this year, the Rajasthan government approved setting up of an INR 200 Cr welfare fund. and the enactment of the Gig Workers Welfare Act. The new policy aims to provide financial assistance to gig workers with certain caveats.<sup>15</sup>

Backing the demand of workers, government think tank NITI Aayog also urged the platforms to extend social security benefits such as paid sick leave, insurance and healthcare to all gig workers.

#### Gig Economy Laws and the current status

Spurred by various protests and strikes by Gig economy workers across the country in states like Tamil Nadu, Karnataka, New Delhi, Telangana, Rajasthan various state governments have enacted laws to support and provide benefits to Gig Economy workers.

Employees are entitled to benefits including minimum wages, bonus, provident fund, gratuity, equal remuneration, medical benefit and maternity benefit under laws such as the Minimum Wages Act, 1948, Employees' Provident Fund and Miscellaneous Provisions Act, 1952 (EPFA), Payment of Bonus Act, 1965, etc.

The welfare and health of contract labour is governed under the Contract Labour (Regulation and Abolition) Act, 1970 (CLRA). They are also entitled to other benefits such as provident fund as per the EPFA. Migrant workers are regulated through the Inter-State Migrant Workmen (Regulation of And Conditions of Service) Act, 1979. The welfare of Unorganized workers is governed under the Unorganised Workers' Social Security Act, 2008 (UWSSA), providing for various welfare schemes like life and disability cover through Pradhan Mantri Jeevan Jyoti Yojana and health and maternity benefits through Ayushman Bharat-Pradhan Mantri Jan Arogya Yojana.

Unfortunately, these laws were not designed for the modern gig workers such as platform workers. Platform workers are not entitled to any benefits under any labour laws including contract labour. Even if the definition of 'contract labour' provided scope for extension of CLRA to platform workers, the platforms do not extend these benefits to such platform workers.

#### Code on Social Security 2020

Pursuant to the recommendation of the National Commission on Labour to consolidate central labour laws, the Ministry of Labour and Employment introduced the Code on Social Security, 2020 (Code) which recognizes workers such as building workers, contract labour and unorganized workers. Additionally, the Code introduces and recognizes gig workers and platform workers. Pursuant to the enactment of this Code, social security would be provided to all employees and workers, either in the organized, unorganized, or any other sector. The Code replaces various labour and employment legislations which had varied applicability and coverage such as the Employees' Compensation Act, 1923, the Maternity Benefit Act, 1961, the UWSSA, and the Payment of Gratuity Act, 1972. Currently,

<sup>13</sup> https://www.niti.gov.in/sites/default/files/2022-06/Policy\_Brief\_India%27s\_Booming\_Gig\_and\_Platform\_Economy\_27062022.pdf

<sup>14</sup> https://www.forbesindia.com/article/news/unfair-pay-poor-working-conditions-and-unresponsive-management-from-bigbasket-to-ola-here-are-the-best-and-worst-companies-for-gig-workers/89369/1

<sup>15</sup> https://timesofindia.indiatimes.com/blogs/niveditas-musings-on-tech-policy/gig-workers-rights-a-us-india-comparative-based-on-recent-developments/

the Code is not in effect as the State Governments of each state in India are in the process of finalizing the rules for the purposes of the Code. Recently, the Labour Minister of India indicated that the rules have been prepared by most states and the law will be implemented at an appropriate time.

As a result gig workers, especially in tech-based platforms where the ratio of employees to gig workers is approximately 1:20, are not entitled to any protection or benefits. Despite the non-recognition of gig workers under law, some Indian corporations such as BigBasket, Flipkart, and Urban Company made a commitment in 2021 to ensure that all gig workers on their platforms earn at least the hourly local minimum wage after factoring in their work-related costs.

Although the Code recognizes 'gig workers' including platform workers, it distinguishes between employees and gig workers. The Code provides for mandatory provision of gratuity, employee compensation, insurance, provident fund, and maternity benefit to employees. It has provided for framing of suitable social security schemes (Schemes) by the Central and State Governments for gig workers on matters relating to life and disability cover, accident insurance, health and maternity benefits, old age protection, etc. The Code also mandates the registration of all gig workers and platform workers to avail the benefits of the Schemes. 16

This includes the Code on Social Security, which, among other provisions, directs aggregators like ride-sharing services, food and grocery delivery services and ecommerce platforms, to contribute 1 to 2 percent of their total annual turnover towards social security provisions for workers. This includes disability and life insurance benefits, accident cover, maternity coverage, creche services, old-age protection, gratuity and provident fund contributions. 17

#### Status of implementation of COSS by Indian states

- A document by non-profit PRS Legislative Research dated September 2020 gives the following example: In the absence of appointment letters and regulation of work timings by the employer, a driver working for one app-based cab aggregator might work for its competitor as well, thus falling under the gig worker definition. However, he would also qualify as a platform worker since he pursues his job through an online platform. This driver might also be categorised as an unorganised worker because he is self-employed. "With such overlaps across definitions, it is unclear how schemes specific to these categories of workers will apply," the document states.
- Lack of clarity on definitions; "As it stands now, there is neither a legal mandate nor universal coverage. There is no time frame or accountability on how these provisions should be met," she says. "If you look at the language, it is just recommendations: 'As may be specified', 'as may be formulated' etc with respect to contributions and benefits."
- No utilization of social security fund: But it collected these huge funds [through Budgetary allocations], that were left underutilised." Annual CAG audit reports on the Union government for the years after this Act was announced indicate that only half or less than half of the budgetary allocations for social security benefits was actually spent. Due to lack of awareness by the gig workers.
- Lack of details on implementation and execution: registration of the workers and SMART ID cards etc. 2008 UWSSA had only 10% registration. No incentivisation for workers to register and entry barrier in terms of documentation requirements, lack of awareness etc
- Code does not spell out penalty and accountability of the aggregators if they violate the contribution to the fund.

The recent development aligns with the Center's intention to finalize the notification of four long-pending labor codes. The delay in this process has primarily been attributed to the proximity of the upcoming 2024 Parliamentary elections and states led by the opposition yet to formulate the required norms. The four codes—Code on Social Security (2020), Code on Wages (2019), Industrial Relation Code (2020), and Occupational Safety, Health, and Working Conditions Code (2020)—were introduced by the union government between 2019 and 2022, with the aim of replacing 29 existing labor laws. Notably, the Code on Social Security is designed to extend various social security benefits to gig workers, encompassing life and disability coverage, accident insurance, health and maternity benefits,

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<sup>16</sup> https://economictimes.indiatimes.com/news/economy/policy/4-labour-codes-likely-to-be-implemented-by-fy23-as-many-states-ready-draftrules/articleshow/88368893.cms

<sup>17</sup> https://www.forbesindia.com/article/take-one-big-story-of-the-day/why-the-code-on-social-security-2020-misses-the-real-issues-gig-workersface/63457/1

and old age protection, among others. Additionally, the code mandates the establishment of a social security fund funded by contributions from aggregator platforms.<sup>18</sup>

The Centre is looking to introduce the new mandates for these aggregator platforms amid a spurt in protests by gig workers demanding better salaries and working conditions. Gig workers across the board have rued the lack of social security benefits at these platforms as the former are not considered full-time employees on the rolls of the firms.

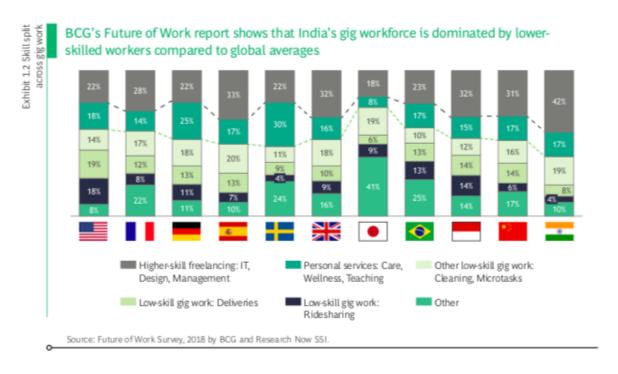
As such, the companies are not mandated to ensure social security benefits which they are otherwise entitled to at a full-time job. While many of these platforms have piloted health covers for their delivery workers, most of them are yet to institute any such reforms.<sup>19</sup>

This has resulted in gig workers across companies protesting for better salaries and working conditions. The protests have taken place across the country from Ladakh to Tamil Nadu and from Gujarat to Assam. Multiple incidents involving the death of gig workers onduty have also raised eyebrows. While most of these players act only after the incident, the lack of social safety net has caused discontent among the workers. <sup>20</sup>

#### Gig Economy in other Countries

In BRICS countries, the number of platforms has grown from 19 to 127 in the past decade, and represents 16% of the platforms operating around the world in 2021.

Within the BRICS countries, the concentration of the number of platforms is the highest in India (49%), followed by Brazil (20%), China (16%), Russia (12%) and South Africa (4%)



Ref - https://media-publications.bcg.com/India-Gig-Economy-Report.pdf

#### **Key Recommendations**

<sup>18</sup> https://www.india-briefing.com/news/what-is-the-status-of-indias-four-new-labor-codes-24375.html/

<sup>19</sup> https://inc42.com/buzz/zomato-pilots-health-cover-for-delivery-partners-families/

<sup>&</sup>lt;sup>20</sup> https://inc42.com/buzz/provide-social-security-benefits-to-gig-workers-labour-ministry-to-ola-uber-zomato/

It is time the Gig Economy as a category of work gets recognized by various agencies as well as by the companies. We offer the following recommendations to address the concerns of the Gig Economy workers. This will fuel the country's aspirational growth of \$5 Trillion by 2025.

- Social Security for Gig Workers: The government, particularly through NITI Aayog, recommends implementing a five-pronged RAISE approach to ensure gig workers have access to social security. This includes recognizing the varied nature of platform work, allowing innovative financing mechanisms for social security, incorporating the interests of platforms in scheme design, promoting worker subscriptions to government schemes through awareness campaigns, and ensuring benefits are easily accessible to workers.
- Fair Pay and Fair Work Standards: Platforms engaging gig workers should implement fair pay principles, ensuring workers earn at least the local minimum wage after accounting for work-related costs. Bigbasket, Flipkart, and Urban Company were noted for having a minimum wage policy for their workers.
- Government Mandates for Social Security: The government is urging platforms such as Ola, Uber, Swiggy, Zomato, and Urban Company to provide social security benefits like life insurance, personal accident covers, and health benefits to gig workers. This is seen as crucial in light of protests by gig workers demanding better salaries and working conditions.
- Policy and Regulatory Framework: The government is actively working on policies and regulations to address the gig
  economy's challenges. Some states, like Rajasthan and Karnataka, have already taken steps by introducing acts and schemes
  for the registration and welfare of gig workers.
- Code on Social Security: The recently introduced Code on Social Security aims to extend various benefits to gig workers, including life and disability coverage, accident insurance, health and maternity benefits, and old-age protection. The code mandates the establishment of a social security fund funded by contributions from aggregator platforms.
- Enhanced Awareness and Registration: There is a need to enhance awareness among gig workers about social security schemes, and incentives or simplified processes should be put in place to encourage worker registration. Lack of awareness and registration barriers have been identified as challenges.

These recommendations and insights highlight the importance of addressing social security, fair work standards, and regulatory frameworks to ensure the well-being and rights of gig workers in India.

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