



Gig Workers' Rights

For Prelims: Gig Economy, Unorganised Workers Social Security Act 2008, Supreme Court, High-speed internet, Covid-19 pandemic, Pension schemes, Digital Divide, Social Security.

For Mains: Growth Drivers of the Gig Economy in India, Issues Related to Gig Workers in India.

Why in News?

On September 20, 2021, the **Indian Federation of App-based Transport Workers**, on behalf of **gig workers**, filed a public interest litigation in the **Supreme Court** demanding that the Union government provide **succour to workers affected by the pandemic**.

- The petition has asked for '**gig workers**' and '**platform workers**' to be declared as '**unorganised workers**' so they come under the purview of the **Unorganised Workers Social Security Act, 2008**.

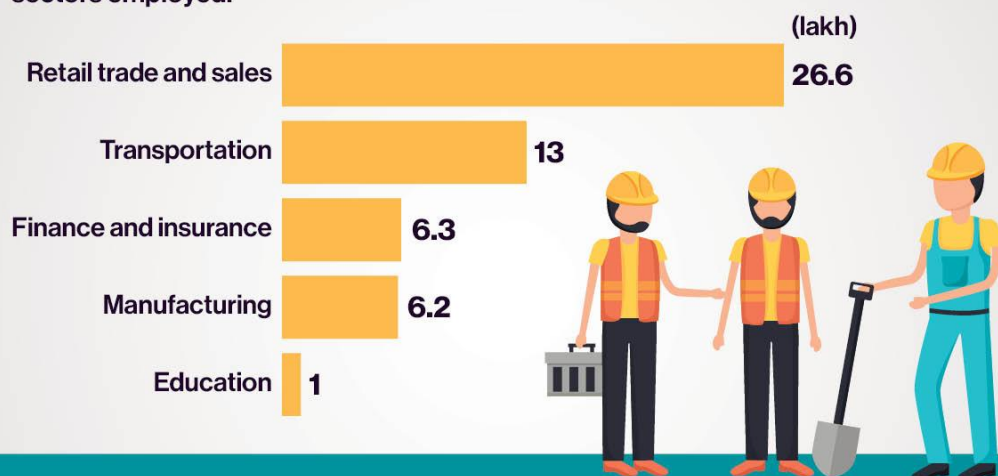
What is the Gig Economy?

- **About:**
 - A **Gig economy** is a **free market system** in which temporary positions are common and organisations contract with independent workers for **short-term engagements**.
 - **Gig Worker:** A person who performs work or participates in a **gig work arrangement and earns** from such activities outside of traditional employer-employee relationship.

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GIG WORKFORCE IN INDIA

NITI Aayog, in its report, *India's Booming Gig and Platform Economy*, said that gig workforce in India is expanding. As of 2019-20, here's what the following sectors employed:



NITI Aayog report stated:



▪ Growth Drivers of the Gig Economy in India

- **Rise of the Internet and Mobile Technology:** The widespread adoption of smartphones and the availability of [high-speed internet](#) has made it easier for workers and businesses to connect through online platforms, facilitating the growth of the gig economy.
- **Economic Liberalisation:** The Indian government's **economic liberalisation** policies have led to increased competition and a more open market, which has encouraged the growth of the gig economy.
- **Increasing Demand for Flexible Work:** The gig economy is particularly attractive for **Indian workers who are looking for flexible work arrangements** that allow them to balance their personal and professional lives.
- **Demographic Factors:** The gig economy is also driven by the large and growing number of **young, educated and ambitious Indians** who are seeking to improve their livelihoods with side income generation.

▪ Case of China:

- In China, the government's scrutiny over food delivery platforms has increased amidst public discourse. This was especially the case in Wuhan, the [Covid-19 pandemic's epicentre](#), where there was a clear transition of social discourse in favour of delivery workers.
- In July 2021, seven government agencies of China jointly passed guidelines that called for better protection of food delivery workers' rights in areas including **salaries, workplace safety, working environment and dispute settlement**.

▪ Issues Related to Gig Workers in India:

- **Lack of Job and Social Security:** Many gig workers in India are not covered by labour codes and **do not have access to benefits such as health insurance and retirement**

plans.

- Additionally, gig workers often **do not receive the same level of protection as traditional employees** in the event of injury or illness.
- **Digital Divide:** The gig economy heavily relies on technology and internet access, this creates **a barrier for those who lack access to these resources**, and further exacerbates income inequality.
- **Lack of Data:** There is a lack of data and research on the gig economy in India which makes it difficult for policy makers to understand its **size, scope, and impact on the economy and workforce**.
- **Exploitation by Companies:** Gig workers in India are often paid less than traditional employees and may not have the same legal protections.
 - Some companies may also exploit gig workers by **misclassifying them as independent contractors** to avoid liability and avoid paying taxes.

Way Forward

- **Social Security Blanket:** The government should ensure that **gig workers have access to social security programs** such as [pension schemes](#) and health insurance to ensure financial security for older workers.
 - Also, gig workers **should be granted the same labour rights as traditional employees**, including the right to organise and form unions.
- **Education and Training:** The government should **invest in education and training programs for gig workers** to improve their skills and increase their earning potential.
- **Encourage Fair Competition and Innovation:** Government can encourage **fair competition by having regulations** that prevent companies from misclassifying workers as independent contractors and by enforcing fair trade practices.

UPSC Civil Services Examination, Previous Year Question:

Q. Examine the role of 'Gig Economy' in the process of empowerment of women in India. **(2021)**

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