

8. Gig Workers- Economy

Gig, platform workers to go on strike todayto protest 'exploitation'. Gig and platform workers in India are protesting for basic rights, highlighting the dichotomy between the sector's flexibility and its lack of social security. The government has responded with the Code on Social Security 2020, the e-Shram database, and the recent Budget 2025-26 extension of Ayushman Bharat, alongside state-specific welfare laws in Rajasthan and Telangana.

1. Context

Current Situation- Gig and platform worker unions have initiated strikes.

Reason for Protest- The primary grievances are the denial of basic labour rights and alleged exploitation by major food delivery and taxi aggregators.

2. Understanding the Gig Economy

Definition (Global)- As per the World Economic Forum, the gig economy is characterized by short-term, task-based work facilitated by digital platforms that connect workers directly with customers.

Definition (India)- In the Indian context, gig workers are legally classified as "self-employed."

Nature of Work- Services range from driving and food delivery to beauty services and housework. Payment is calculated per assignment or "gig." Work culture is viewed as flexible, offering freedom from the traditional 9-to-5 office structure.

Demographic Trend- There is a notable increase in the participation of women in the gig labour force.

3. Types of Gig Work

(Differentiation based on mode of delivery)

Feature	Web-based Gig Work	Location-based Gig Work
Nature of Task	Tasks are performed virtually or digitally.	Tasks are carried out locally or in-person.
Location Dependency	Remote / Location-independent.	Specific location required.
Examples	Content writing, software development, digital marketing, data analytics.	Ride-hailing (Ola, Uber), Food delivery (Zomato), Home services (Urban Company).

4. Advantages of Gig and Platform Work

Flexibility- Allows workers to choose their own working hours and tasks, facilitating a balance between personal commitments and professional work.

Income Opportunities- Acts as a livelihood source for millions, particularly youth and women. Low barrier to entry as it often does not require formal qualifications. Enables women to earn more while balancing domestic responsibilities.

Skill Development- Workers gain exposure to digital tools and customer service protocols, which enhances their future employability.

Economic Contribution- Supports critical sectors like logistics, e-commerce, and urban mobility, thereby contributing significantly to GDP growth.

5. Challenges Faced by Workers

Lack of Social Security- Most workers fall outside the ambit of traditional labor protections. Absence of adequate labor regulations leaves them vulnerable to exploitation.

Income Insecurity- Earnings are volatile and fluctuate based on immediate demand.

Health and Safety Risks- Delivery and transport workers are prone to road accidents. Exposure to extreme weather conditions (e.g., the 2024 heatwave) and unsafe working environments. Lack of adequate insurance coverage for these risks.

Absence of Collective Bargaining- The fragmented and dispersed nature of the workforce limits their power to negotiate better terms with platforms.

Gender Disparities- Women face specific safety concerns and still have lower participation rates compared to men.

6. Steps Taken in India

Central Government Initiatives

Code on Social Security, 2020- Marked the first formal legal recognition of gig and platform workers. Entitles them to benefits including accident insurance, health and maternity cover, and old-age protection.

e-Shram Portal (Launched 2021)- Created to build a National Database of Unorganised Workers.

Status- Registered over 30.98 crore workers, including 3.37 lakh gig and platform workers.

Union Budget 2025-26- Announced the extension of Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) benefits specifically to platform workers.

Social Security Fund- Work is underway to set up a dedicated fund.

Funding Model- Contributions will be sourced from the Centre, state governments, and digital platforms.

State-Level Initiatives

Rajasthan- Enacted the 2023 Act which requires employers to contribute a monthly "welfare cess" for gig workers.

Telangana- Introduced a 2025 draft bill mandating the registration of gig workers by employers and aggregators to ensure delivery of social security and welfare benefits.

7. Conclusion and Way Forward

Current Status- The sector is expanding rapidly, offering income and flexibility, but is plagued by instability and lack of safety nets.

Data Necessity- There is an urgent need for comprehensive data collection to understand the socio-economic conditions and working patterns of these workers.

Policy Imperatives- While acknowledging technological progress, future policies must ensure Minimum wages. Robust social security. Collective bargaining rights. Protection against algorithmic biases and arbitrary account deactivations.

Source- <https://epaper.thehindu.com/ccidist->

[ws/th/th_international/issues/163947/OPS/GHUFBR53.1+GBSFCI9MV.1.html](https://th/th_international/issues/163947/OPS/GHUFBR53.1+GBSFCI9MV.1.html)