

The Gig and Platform Economy in India: Employment Opportunities, Precarity and Policy Difficulties

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Abstract

Due to the quick expansion of digital platforms like Uber, Ola, Swiggy, Zomato, Urban Company, and Amazon, the gig and platform economy has grown in importance within India's labour market. By lowering entrance barriers and enabling task-based rewards, this system offers millions of workers, especially urban adolescents, flexible opportunities. However, questions about the security and quality of gig work are raised by the lack of job benefits, steady income, and legal protection. The nature of platform-based employment in India, the socioeconomic characteristics of gig workers, and the structural problems associated with platform-controlled labour are all examined in this research. It assesses the state of policy, particularly the 2020 Code on Social Security, to see how well it provides social safety. In order to guarantee equitable salaries, social welfare, algorithmic transparency, and collective bargaining rights for gig workers in India, the study contends that significant reform is necessary even though the gig economy promotes job growth.

Keywords: Gig Economy, Employment, Online Platform

Introduction

Urbanisation, smart phone adoption, and technological improvements have all contributed to the gig and platform economy, which is a structural shift in labour markets. The phrase "gig work" describes temporary, contractual, or task-based employment made possible by online marketplaces that connect service suppliers and clients. Gig workers do not obtain benefits like social security, paid time off, or job protection because they are not considered full-time employees, in contrast to regular employment.

According to NITI Aayog (2022), there were approximately 7.7 million Indians working platform-based gigs in 2020–2021; by 2030, this figure is expected to rise to 23.5

million. This growth shows how gig work is becoming more and more important to India's workforce.

The Growing Gig Workforce Numerous social and economic variables contribute to the growth of platform labour in India. First, the need for quick, affordable services like food delivery, transportation, and home-based support services has expanded due to rising urbanisation. Second, a large number of people have turned to gig work due to youth unemployment and underemployment among educated workers. Third, platforms promote flexibility, independence, and immediate income, which makes gig labour seem appealing. However, platform algorithms that affect wages, task distribution, and performance measures restrict this seeming flexibility. According to Juliet Schor (2021), gig workers frequently encounter "controlled autonomy," in which the appearance of independence conceals more extensive administrative oversight.

Features of Platform and Gig Work

Usually, gig workers are categorized as "partners" or "self-employed contractors." Platforms are able to evade legal responsibilities related to employer-employee relationships because of this classification. Important aspects of gig employment include off:

1. **Income Volatility:** Demand, time of day, competition, and platform incentives all affects earnings.
2. **Lack of Social Security:** Employees do not get paid time off, insurance, or a pension.
3. **Algorithmic Monitoring:** Digital systems monitor performance and automatically impose incentives or penalties.
4. **Occupational Risks:** Workers in the delivery and ride-hailing industries, for instance, are at risk for health problems, harassment, and accidents.

These elements play a part in gig workers' precarity, or job instability and lack of long-term security.

Gig Workers' Socioeconomic Profile

According to research, men between the ages of 18 and 35 make up the bulk of gig workers in India, and they frequently come from lower-middle-class or migrant backgrounds. Many have formal education, but they are unable to find steady work. Despite being

relatively low, women's participation is rising in fields including domestic and beauty services thanks to platforms like Urban Company.

However, there are other obstacles that women workers must overcome, like unpaid home duties, mobility restrictions, and safety concerns

Legal and Policy Framework

The first official acknowledgement of gig and platform workers as a separate category is seen in India's Code on Social Security (2020). A National Social Security Board and a contributing social security fund are proposed by the statute.

Employer contribution criteria are unclear, and its execution is still lacking. Currently, platforms make voluntary contributions, which leads to uneven welfare coverage.

Policy Difficulties

Among the main obstacles are:

1. Ambiguous Worker Classification: Employees' job status is unclear.
2. Weak Collective Bargaining: The capacity of gig workers to form a union or engage in negotiations is restricted.
3. Limited Welfare Scheme Coverage: Current programs are not platform-neutral.
4. Lack of Regulatory Accountability: The algorithms used by platforms are opaque.

Suggestions for Policy Enhancement

The following legislative actions are suggested in order to guarantee that gig employment is equitable and long-lasting:

1. Portable Social Security Accounts: Benefits ought to be associated with the employee rather than the company.
2. Required Platform Contribution: A welfare fund for gig workers should get 1% to 2% of platforms' total earnings.
3. Earnings Floor: To lessen income volatility, provide a minimum earnings guarantee. Income volatility, provide a minimum earnings guarantee.
4. Algorithmic Transparency Rules: Employees should be able to contest penalties and unfair ratings.
5. Recognition of Worker Associations: Give worker groups and gig unions the ability to engage in collective bargaining.

Conclusion

Significant job opportunities and economic dynamism are provided by the gig and platform economies. However, the way it is currently structured puts workers at disproportionate danger while platforms maintain control and financial advantages. India has to improve policy mechanisms that strike a balance between efficiency and social protection in order to create a fair and equitable labour market. To make gig work a viable and respectable type of employment, it will be essential to guarantee legal legitimacy, social protection, income stability, and worker voice.

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