



"Examining the Legal Implications and Worker's Rights in India's Gig Economy."

Avya Kashyap (BBA LL.B)

LAW Department

Amity University, Patna

Abstract

The gig economy can indeed have an impact on workers' rights and bring about social implications. As the gig economy continues to grow, it's important to address these concerns and find ways to ensure fair treatment and protection for gig workers. This includes issues like access to benefits, job security, and fair wages. By recognizing and addressing these challenges, we can work towards creating a more equitable and inclusive gig economy that benefits both workers and society as a whole. The gig economy in India is all about people taking up temporary or flexible jobs through online platforms like Uber, Ola, Swiggy, and Zomato. It's become quite popular because it gives workers the freedom to choose when and where they work, which is pretty awesome! Plus, it's a cost-effective solution for businesses. But, there are also some concerns about job security and benefits for gig workers. It's important for the government to step in and create regulations and policies to protect the rights of these workers and ensure fair treatment. By finding the right balance, we can make sure the gig economy continues to grow while also taking care of the workers involved.

Introduction

Gig economy is a labour market where people work in temporary and part-time positions as independent contractors or freelancers instead of being full-time employees. It's like a marketplace where individuals take on small projects or

Meaning and concept of Gig economy

tasks and get paid based on their work. It offers flexibility and the opportunity to work on different gigs without being tied to a long-term job. It's an evolving way of working that allows individuals to be their own bosses and have more control over their careers.

In the gig economy, workers have the incredible advantage of flexibility and independence. They have the freedom to choose when, where, and how they work, which is pretty awesome! However, it's true that job security can be a concern for gig workers. Unlike traditional employees, they may not have the same level of stability or benefits like health coverage and paid vacation time. Some employers do provide certain benefits to gig workers, but they often outsource the management of these benefits to external agencies. This allows employers to focus on what they do best while still offering some valuable perks to their gig workers. So, while there may be some trade-offs, the gig economy offers a unique and exciting opportunity for individuals to take control of their careers and enjoy the freedom of flexible work arrangements.

According to Cambridge Dictionary "Gig economy"^[1] means- a way of working that is based on people having temporary jobs or, doing separate pieces of work, each paid separately, rather than working for an employer. The word "gig" originally comes from the music industry, where it refers to a one-time performance by a band or musician. But nowadays, it's also used to describe temporary jobs or work arrangements outside of the traditional employer-employee relationship. This includes freelancers, contract workers, and people who work on short-term projects. As the gig economy becomes more popular, the term "gig" has made its way into mainstream business lingo. So, basically, it means doing jobs for a specific period of time instead of having a long-term job with a single employer. It's all about flexibility and finding different gigs or projects to work on.

Gig economy in India

The gig economy took a bit longer to catch on in India compared to other countries around the world. But in the 2010s, things started to change, and the gig economy began to grow and emerge in India. This was because many international companies expanded their business into India, which created more opportunities for Indian entrepreneurs. These entrepreneurs started developing their own apps

in various fields, which in turn contributed to the growth of the gig workforce in India. It's pretty cool to see how the gig economy has evolved and provided new avenues for work and entrepreneurship in India.

In the beginning, people in India saw the gig economy as something they could do on the side, like a part-time job. But now, more and more people are realizing that it can actually be a full-time source of employment. According to the global gig economy index, India is one of the top 10 countries for outsourcing professionals. India rocks the freelance world with a whopping 40% share of global freelance jobs. That's pretty impressive! And guess what? It's only going to get better. Experts predict that the gig economy in India will create a whopping 90 million jobs in the next 7 to 8 years. That's a lot of opportunities! This shift in mindset has been beneficial for both organizations and working professionals. It's great to see how the gig economy is growing and making a positive impact in India.

Gig economy legalities: Protection for workers rights.

The legal development of the gig economy in India has been quite interesting. As the gig economy started to grow, the Indian government recognized the need to regulate it and ensure the rights and protections of gig workers. They introduced various labour laws and policies to address the unique nature of gig work. This includes measures such as defining gig workers as "platform workers" and providing them with certain benefits and social security. The government also established platforms to address grievances and disputes between gig workers and platforms. It's great to see that India is taking steps to ensure the fair treatment of gig workers and promote a balanced gig economy.

In India, the labour and employment laws have classified employees into three main categories. First, we have government employees who work for the government directly. Then, there are employees in government-controlled corporate bodies called public sector undertakings (PSUs). Lastly, we have employees in the private sector, who can be either managerial staff or workmen. These different categories of employees are entitled to certain working conditions, like minimum wages as per the **Minimum Wages Act of 1948**, a specific number of hours of work, and compensation for termination. It's important for workers to have these protections in place to ensure fair treatment and a safe working environment. Gig workers in India don't have the same "employee" status under the law, which means they face certain restrictions. For example, they can't form unions to represent their interests, and they might end up with contracts that can be exploitative. It's definitely a challenge for gig workers to have the same level of protection and support as traditional employees.

In 2019, the Indian Parliament made a new rule called the social security fund code. This rule was specifically for gig and platform workers. They combined nine existing laws, like the Employees' Provident Fund Act, 1952 and the Maternity Benefit Act, 1961 into this new code. It's like bringing all these laws together in one place. Now, because of this code, gig workers can enjoy some cool benefits. They get things like minimum wages, maternity benefits, access to EPF funds, and insurance benefits from the Employee's State Insurance Corporation. It's all about making sure gig workers have better protection and support.

The Indian Parliament passed four labour codes to provide benefits to workers in the unorganized sector. These new codes are like sets of rules that help protect and support workers. Let me tell you what they are:

1. **The Code on Wages 2019:** This code sets rules for minimum wages and timely payment of wages.
2. **The Code on Social Security 2020:** This code covers things like social security benefits, health insurance, and pension for workers.
3. **The Occupational Safety, Health, and Working Conditions Code 2020:** This code focuses on ensuring safe and healthy working conditions for workers.
4. **The Industrial Relations Code 2020:** This code deals with things like trade unions, disputes, and collective bargaining.

These codes aim to improve the working conditions and rights of workers in the unorganized sector. It's a positive step towards creating a fair and supportive work environment for everyone.

So, this new code brings together three different laws: **The Industrial Disputes Act 1947, The Trade Unions Act 1926, and The Industrial Employment (Standing Orders) Act 1946**. The main goal of this code is to make things better for businesses in the country by addressing the issue of labour compliance. It's all about creating a smoother and more efficient working environment for industries.

The legal development of the gig economy in India took a bit of time to get going. It wasn't until some court cases, like the **Dhrangadhara Chemical Works v. the State of Saurashtra**,^[2] that the concept of control and supervision became an important factor in determining the employer-employee relationship. These cases helped shape the legal landscape for gig workers and set a precedent for future rulings. It's fascinating how these judicial pronouncements played a role in shaping the gig economy's legal framework in India.

In another similar case, the Supreme Court of India, in the matter of **Ram Singh and Ors. v. Union Territory, Chandigarh and Ors. 2003**,^[3] ruled that the worker should be considered an employee. This decision was based on the fact that the employer had control over the worker's actions and was responsible for paying their wages. As a result, the court concluded that an employer-employee

relationship existed between them. It's interesting to see how these legal cases have helped shape the understanding of employment dynamics in the gig economy.

The gig economy can impact workers' rights and have social implications.

The gig economy has the potential to significantly impact the social contract between workers and employers. By introducing a more flexible and temporary work arrangement, it can alter the traditional terms of exchange in the labour market. This can lead to increased competition among workers, as they strive to secure gigs and maintain their status within the gig economy. Furthermore, the gig economy often categorizes workers as independent contractors, which means they may not receive the same legal protections and benefits as traditional employees. This lack of legal safeguards can leave gig workers vulnerable and without access to essential benefits such as healthcare, paid leave, and retirement plans. It's important to address these concerns and ensure that the gig economy is accompanied by appropriate regulations and policies to protect the rights and well-being of workers.

The gig economy in India brings along some great benefits.

One of the biggest advantages is the increased flexibility it offers to gig workers. They have the freedom to choose when, where, and how much they want to work. This flexibility is especially beneficial for those who need to balance work with other responsibilities like childcare or education.

Another benefit is the potential for increased earning. Gig workers have the opportunity to earn more money compared to traditional employees, especially if they have in-demand skills. Since they are not limited to a single employer, they can take on multiple gigs and negotiate their rates, which can lead to higher earnings.

Additionally, the gig economy opens up a wide range of career opportunities. It allows people to explore different roles and industries based on their skills and interests. This variety can be exciting and rewarding, as gig workers have the chance to constantly learn and grow professionally.

Overall, the gig economy in India provides flexibility, earning potential, and diverse career opportunities. It's definitely a dynamic and evolving way of working.

The gig economy in India does come with some challenges.

One of the main challenges is the lack of job security. Gig workers don't have a guaranteed income or benefits, which can make it hard for them to plan for the future. It's also unfair when employers treat gig workers poorly by withholding wages or denying benefits.

Another challenge is that gig workers may not have access to government services like unemployment benefits or healthcare because they're not considered traditional employees. This can leave them at a disadvantage.

To address these challenges, it's important for the government of India to take steps. They could provide gig workers with more job security, ensure fair treatment by employers, and give them access to government services. It's definitely a complex issue, but I hope that efforts are made to create a more supportive environment for gig workers.

Conclusion

The gig economy in India has its fair share of challenges, like job security and access to benefits. However, it also brings some fantastic benefits, such as flexibility, increased earning potential, and diverse career opportunities. It's crucial for the government and other stakeholders to address these challenges and create a supportive environment for gig workers. By doing so, we can ensure that gig workers have the security and opportunities they deserve. With the right measures in place, the gig economy in India can continue to flourish and empower individuals to have more control over their work-life balance and pursue fulfilling careers. So, let's work towards a gig economy that works for everyone.

References

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