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2025**HUMAN RIGHTS IN THE GIG
ECONOMY: ADDRESSING SOCIO-
LEGAL INJUSTICES IN INDIA****Author/S Note :-****Dr. Niraj Maniar**

Assistant Professor,
A.M.P. Government Law College, Rajkot
Mo. 92288 80498 Email: nirajmaniar@gmail.com

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HUMAN RIGHTS IN THE GIG ECONOMY: ADDRESSING SOCIO-LEGAL INJUSTICES IN INDIA

Dr. Niraj Maniar

Abstract:

This paper explores the socio-legal challenges faced by gig workers in India amid the rise of platform-based employment. While the gig economy offers flexibility and new income opportunities, it also exposes workers to precarious conditions, lack of legal protections, and social insecurity. The study analyzes India's evolving legal framework, including the Code on Social Security (2020) and Rajasthan's pioneering legislation, alongside global developments. It highlights gender, caste, and class-based disparities and draws on empirical evidence to reflect lived experiences. The paper concludes with policy recommendations to ensure dignified, inclusive, and equitable working conditions in the digital age.

Keywords: Gig Economy, Labor Rights, Legal Status, Social Security, Platform Work

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Introduction:

The **gig economy** is a rapidly growing and transformative aspect of the modern labor market. It refers to a system where temporary, flexible jobs are commonplace, and companies tend toward hiring independent contractors or freelancers instead of full-time employees. Fueled by technological advancements and changes in work culture, the gig economy is reshaping how individuals work, how businesses operate, and how entire economies function. Globally, the gig economy is a significant driver of economic and workforce changes. It encompasses a wide range of work types, including freelance writing, design, ride-sharing (Uber, Lyft), food delivery (DoorDash, Deliveroo), digital services (Fiverr, Upwork), and more. The rise of digital platforms has revolutionized how work is accessed and performed, allowing gig workers to connect with employers and clients anywhere in the world. This shift represents a profound departure from traditional, stable employment models and has both benefits and challenges. The growth of the internet and mobile technologies has made it easier for individuals to offer services and for businesses to tap into a large, flexible workforce on a short-term basis. Platforms like **Uber**, **Airbnb**, and **TaskRabbit** have become major players in this economy. There has been a shift, especially among younger workers, toward seeking flexibility in employment. The gig economy offers autonomy, with workers able to set their schedules and choose assignments. The global workforce is now more connected than ever. Freelancers in developing countries can easily offer their services to companies in developed nations, thus increasing opportunities and competition. The covid pandemic accelerated the adoption of remote work and highlighted the importance of digital platforms. Many workers turned to gig work as a temporary or permanent solution during economic disruptions. Workers have more control over when and how they work. Many choose gig work to accommodate personal needs, such as balancing family responsibilities or pursuing multiple income streams. Freelancers can work for international clients without relocating, thus increasing their income potential. Platforms provide easy access to jobs with minimal qualifications or upfront investment.

The Gig Economy in India

The gig economy is particularly significant in India, where it has emerged as a vital part of the workforce, driven by rapid urbanization, the growth of digital platforms, and an increasing number of people seeking non-traditional work arrangements. India, with its large and diverse labor pool, is witnessing the gig economy expand across sectors such as **transportation, food delivery, e-commerce, digital services, and IT**. Government-led initiatives like **Digital India** have boosted internet penetration, allowing platforms to reach more workers and consumers. India has a young population with a growing preference for flexible work arrangements, making the gig economy an attractive option for many. Global and domestic platforms like **Ola, Swiggy, Zomato, UrbanClap, and Flipkart** have fueled the gig economy by connecting workers to customers across sectors. The gig economy has allowed individuals to be their own bosses, encouraging entrepreneurship and self-employment among India's workforce. The gig economy has provided employment opportunities to a large number of semi-skilled and unskilled workers who may not have access to traditional formal jobs. Many individuals take on gig work as a means to supplement their income or as a part-time engagement alongside other jobs or education. Skilled professionals are increasingly offering their expertise in areas such as IT, marketing, and creative fields, empowering entrepreneurship and professional independence. Gig workers typically do not receive employment benefits such as health insurance, paid leave, or pensions. They bear the brunt of economic fluctuations and inconsistent work availability. While some workers can command high wages, many earn far less than in traditional employment models, leading to financial insecurity. There are ongoing debates about whether gig workers should be classified as employees or independent contractors, which impacts their legal rights, benefits, and protections.

A recent survey by the National Council of Applied Economic Research (NCAER) and reports from the NITI Aayog shed light on the demographic characteristics of gig workers in India, indicating that the sector primarily attracts young individuals aged 18-35, especially in urban areas. This youth-driven workforce is increasingly engaging with platforms such as ride-hailing services, food delivery, and digital freelance work. Education levels among gig workers vary, but a significant portion has completed higher secondary education. About 47% of these workers are involved in medium-skilled jobs, while 31% are engaged in low-skilled work, and 22% in high-skilled jobs, with a growing trend toward both high- and low-skilled work. However, the share of medium-skilled roles is declining over time. The gig

economy in India remains predominantly male, with women comprising a smaller proportion of the workforce. Women are more visible in sectors such as freelance writing, beauty services, and digital teaching, although societal barriers like safety concerns and traditional gender roles continue to limit their participation, especially in physically demanding jobs or those requiring late-night work. Gig workers in India generally come from lower-middle or middle-income backgrounds. Many invest in necessary tools such as vehicles or mobile devices, which often lead to debt, especially for delivery partners and ride-hailing drivers. Despite the appeal of flexible work hours, many gig workers face economic instability due to fluctuating income and the absence of social security protections. These demographic insights highlight the potential and challenges faced by gig workers in India, underscoring the need for better social security measures and financial inclusion to protect the growing workforce.

Legal Status of Gig Workers in India

Indian labor laws have historically been designed around traditional employer-employee relationships, primarily focusing on the organized sector. Gig workers, however, are typically classified as independent contractors, which excludes them from the protections offered by key labor statutes such as the Industrial Disputes Act, 1947, the Payment of Gratuity Act, 1972, and the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. This classification creates a significant legal vacuum, leaving gig workers without formal contracts, job security, or employer-backed benefits such as health insurance, maternity leave, or pensions. The precarity of their situation is compounded by their exclusion from most existing social security schemes. Without steady income or guaranteed working hours, gig workers are often unable to access traditional financial or social safety nets. For instance, platform workers in ride-hailing or delivery services operate under conditions where the platform exercises significant control, yet avoids legal responsibility for employment benefits. A significant step toward formal recognition was taken with the introduction of the *Code on Social Security, 2020*, which, for the first time, defined "gig workers" and "platform workers" as distinct labor categories. This Code empowers both central and state governments to extend welfare measures to such workers, including life and disability cover, health and maternity benefits, old-age protection, and more. However, critics argue that the law lacks clarity regarding mandatory contributions from aggregators and offers limited enforceability. In a more proactive move, the state of Rajasthan enacted the *Rajasthan Platform-Based Gig Workers (Registration and Welfare) Act, 2023*, which mandates the creation of a welfare board, a grievance redress mechanism, and contributions from platform

companies toward a welfare fund. This makes Rajasthan the first Indian state to introduce comprehensive legislation aimed specifically at the gig economy workforce. The Act represents a state-level recognition of the need to bridge the legal and welfare gap, but its success will depend on effective implementation and cooperation from digital platforms.

Globally, courts and regulatory frameworks have begun re-evaluating the classification of gig workers. For example, the UK Supreme Court ruled in 2021 that Uber drivers are to be treated as "workers" rather than independent contractors, entitling them to minimum wage and paid leave. Similarly, California's Assembly Bill 5 (AB5) redefined many gig workers as employees under state law. These developments offer comparative insights and underscore the need for similar debates and legal reforms in India. In sum, while recent legislative measures reflect progress in acknowledging gig workers' rights, significant gaps remain in their practical protection and enforcement. A more coherent national policy, platform accountability, and judicial activism may be required to fully secure the rights and welfare of gig workers in India.

Socio-Economic Challenges

Gig workers often face extreme income volatility. Their earnings depend on demand fluctuations, platform policies, and customer ratings. Surge pricing and algorithmic interventions add unpredictability. Many take multiple gigs or work long hours to maintain a minimum income. The absence of social security is a major concern. Most gig workers lack health coverage, disability insurance, and retirement savings. This exposes them to financial shocks, particularly during illness, accidents, or old age. Working conditions are far from ideal. Many gig workers put in 10–14 hour days without access to rest areas, toilets, or safety gear. Women face additional risks related to harassment and mobility. These issues lead to economic vulnerability, trapping workers in a cycle of dependency and low mobility. The promise of flexibility often masks systemic exploitation.

Social Implications

Gig workers frequently encounter social stigma. Their work is seen as low-skill and transient, resulting in a lack of dignity and societal respect. This contributes to poor mental health and self-esteem issues. Mental and physical health are severely impacted by long hours, lack of rest, and job insecurity. Anxiety, depression, and chronic physical issues are prevalent among gig workers, particularly those in delivery or driving roles. Social stratification also influences experiences. Women, Dalits, and migrants face disproportionate challenges.

Gender pay gaps, lack of safety measures, and caste discrimination limit access to platforms and higher-paying gigs.

Case Studies and Empirical Evidence

A study by the Fairwork India team (2022) evaluated platforms on parameters such as fair pay, working conditions, contracts, and management. None scored above 7 out of 10. Platforms often failed to provide basic transparency or fair representation. Interviews with delivery workers from Swiggy and ride-hailing drivers from Ola reveal frustration with frequent pay changes, harsh penalty systems, and lack of redressal. One Swiggy driver noted, 'We are always at the mercy of the app. One mistake and we can lose our job.' These narratives reflect broader systemic issues and provide critical insight into the lived realities of gig workers.

Comparative Analysis

Globally, countries are grappling with similar issues. The UK Supreme Court's 2021 ruling classified Uber drivers as 'workers' entitled to minimum wage and paid leave. Spain passed a law mandating food delivery workers be treated as employees. California's AB5 law extends employment protections to gig workers, though it faces resistance. Best practices include mandatory social insurance (France), platform-funded pensions (Germany), and collective bargaining rights (Netherlands). These offer lessons for India in balancing innovation with labor rights.

Policy Recommendations

Legal reforms must formally recognize gig workers and redefine employer-worker relationships in the digital age. Worker classification should be broadened to include rights to minimum wages, legal aid, and collective bargaining. Social security must be universal and portable. A gig worker welfare fund, with contributions from platforms and the government, can offer coverage for health, maternity, accidents, and retirement. Digital platforms must be held accountable through mandatory regulations. Algorithmic transparency, grievance redressal mechanisms, and fair pay guarantees are essential. Worker empowerment through unions, cooperatives, and legal literacy can strengthen bargaining power. Technology can also be used to build gig worker networks and platforms that ensure equitable practices.

Conclusion

Gig workers play a vital role in India's economy but remain outside formal legal protections. They face income volatility, hazardous working conditions, and limited recognition. While recent legislative efforts offer hope, much remains to be done. The future of gig work in India

depends on policy reforms, technological design, and public awareness. Inclusive frameworks must ensure that innovation does not come at the cost of worker dignity and rights. It is time for a concerted effort by the government, platforms, and civil society to recognize gig workers not as disposable labor but as integral contributors to the digital economy.

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