

## Gig and Platform Workers

The new Labour Codes, enacted by the Parliament in September 2020, acknowledge gig and platform workers as new occupational categories in India. What exactly are gig workers and platform workers? How significant are they for the economy? Read on to know the answers to these questions, with a particular focus on the [IAS exam](#).

### Who are Gig and Platform Workers?

For the first time in India, the newly passed [labour codes](#) provide for social security for gig and platform workers along with workers of the unorganised sector. It is for the first time that laws in India have defined gig and platform workers.

#### Gig Workers

In general, gig workers are those engaged in hourly or part-time jobs in everything from catering events to software development.

- They have a non-standard work arrangement with their employers and share a non-traditional employer-employee relationship.
- The work is usually temporary and completed within a stipulated time.
- **The Code on Social Security, 2020 [Section 2(35)] defines a gig worker as ‘a person who performs work or participates in a work arrangement and earns from such activities outside of traditional employer-employee relationships.’**
- Freelancers, contingent workers, independent contractors, etc. can come under the umbrella of gig workers. Even a part-time professor can be classified as a gig worker.

#### Platform Workers

A platform worker implies a worker working for an organisation that provides specific services using an online platform directly to individuals or organisations.

- Examples of platform workers include Ola or Uber drivers, Swiggy or Zomato delivery agents, etc.
- The Social Security Code defines a platform worker as “a person engaged in or undertaking platform work”.
- Section 2(55) of the Code defines platform work as “*A form of employment in which organisations or individuals use an online platform to access other organisations or individuals to solve specific problems or to provide specific services in exchange for payment*”.
- This work is also outside the traditional employee-employer relationship.

### Gig & Platform Work Pros and Cons

#### Gig and Platform Work Pros

- It offers flexibility to the workers, who can choose to work for multiple organisations at the same time, and also in some cases, fix their own pay.

- It offers the opportunity for workers to test their skills in an area where their interests lie. For instance, freelance writers can try a job part-time before embarking on a full-time career in it.
- Such work also allows remote workers to be employed.

### **Gig and Platform Work Cons**

- Such workers are generally denied benefits that organisations offer their regular workers, like health insurance, paid leaves, etc.
- Such work generally suffers from inconsistent pay and a lack of stability in job tenure.
- While it is said that gig and platform workers enjoy greater flexibility in their terms of employment, they are still bound by mechanisms of control wired by the algorithm that the platforms use. This affects the work hours, pricing, etc.
- Additionally, entry into on-demand platform work like ride-sharing and food delivery is dependent on existing access to vehicular assets, which is limited for the average Indian worker. To get into the platform economy, such workers depend on intensive loan schemes, which are often facilitated by platform aggregator companies.

### **Significance of Gig and Platform Workers**

Although a fairly new concept for India, the gig and platform workers have become a significant part of the economy.

- Notwithstanding the drawback of limited access to capital for workers as mentioned above, for a specific class of workers, however, particularly, smallholder agrarian labour migrants with access to vehicular assets, the platform economy is an attractive proposition.
  - Such workers are able to accumulate wealth which they can then invest into farm work.
- The pandemic has revealed a very significant role that gig and platform workers play in the economy by virtue of their role as delivery drivers and agents. They ensured that basic necessities were reaching people at their homes.
- These workers also helped many platform companies remain afloat during the pandemic and the resultant economic downturn.
- Due to the fast pace of urbanisation, this sector has high growth potential.
- The remittances sent by the platform and gig workers are also contributing to the growth of the rural areas.
- Such work will also encourage students to take up non-regular work in the market.
- It would also lessen the burden on employers by helping them avoid taking on employees in the traditional employment structure.

### **Code on Social Security 2020 Provisions for Gig & Platform Workers**

The code mandates compulsory registration of both gig and platform workers on an online portal to avail benefits under the Code which shall be specified by the Central Government.

- For the worker to be registered, he/she has to fulfil certain conditions, such as:
  - Between 16 and 60 years of age
  - Has worked for not less than ninety days during the preceding twelve years
  - Has submitted a self-declaration electronically or otherwise in such form and in such manner containing such information as may be prescribed by the Central Government

- Every eligible unorganised worker, gig worker or platform worker shall make an application for registration in such form along with such documents including Aadhaar number
- The code provides for social security benefits to unorganized workers including gig and platform workers. Under the code, the Central Government has the power to frame welfare schemes for the workers in the unorganised sector for:
  - Accidental insurance
  - Life and disability cover
  - Old age protection
  - Health and maternity benefits
  - Creche
  - Any other benefit the Central Government may decide

### *Issues with the Code on Social Security 2020 for Gig Workers*

Some experts have expressed concerns about the new code's impact on gig and platform workers.

- Platform workers can claim the benefits provided under the Social Security Code but cannot claim labour rights.
  - They are not entitled to go to court for a stable and better pay package, or against the algorithms used by the platforms that allocate jobs to them.
  - The eligibility criteria for claiming benefits might lead to certain workers being excluded.
  - The Code states the provision of basic welfare measures as a joint responsibility of the Central government, platform aggregators, and workers. However, it does not state which stakeholder is responsible for delivering what quantum of welfare.
  - Some opine that there is an overlap in the definitions of unorganised, gig and platform workers. This makes it unclear how schemes specific to these categories of workers will apply.
  - There seems to be a duality of appropriate governments (central vs state) in certain cases like the provision of social security for unorganised sector workers.
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