**Issue at Hand: Gig Workers' Employment Status and Their Rights**

The online gig economy in India, which includes platforms like Uber, Zomato, Ola, and Swiggy, has grown significantly in recent years. As of 2020-2021, India had an estimated 7.7 million gig workers, according to a [report by the NITI Aayog](https://www.niti.gov.in/sites/default/files/2022-06/Policy_Brief_India%27s_Booming_Gig_and_Platform_Economy_27062022.pdf). This constitutes around 1.5% of the total workforce in the country. The same report projected that the gig workforce would expand to 23.5 million by 2029-2030, accounting for about 4.1% of total employment in India​. However, gig workers are classified as independent contractors, not employees, denying them basic protections like social security, accident compensation, health insurance, and union rights.

Moreover, recent studies reveal severe concerns about the welfare of gig workers. The [Fairwork India Report 2023](https://fair.work/en/fw/blog/fairwork-india-report-2023-examining-working-conditions-of-workers-on-digital-labour-platforms/) highlights that most digital platforms fail to provide gig workers with fair pay, adequate safety measures, or collective bargaining rights. A study by the [National Council of Applied Economic Research (NCAER)](https://www.ncaer.org/wp-content/uploads/2023/08/NCAER_Report_Platform_Workers_August_28_2023.pdf) shows that the real incomes of gig workers have decreased between 2019 and 2022, with rising operational costs (like fuel) exacerbating the situation. Despite some state-level progress, such as the [Rajasthan Platform-Based Gig Workers Act](https://prsindia.org/files/bills_acts/acts_states/rajasthan/2023/Act29of2023Rajasthan.pdf), workers across the country remain vulnerable, lacking social protections and a safety net.

**Current Legal Framework**

1. [**Social Security Code, 2020**](https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1944372): This code recognises gig and platform workers as formal employees, envisioning schemes for social security, health insurance, and disability coverage. However, [these provisions have yet to be enforced](https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1983590), and gig workers still lack formal employee status​.

2. **Collective Bargaining**: Gig workers are excluded from the protections of the [Trade Unions Act, 1926](https://www.indiacode.nic.in/bitstream/123456789/13322/1/trade_unions_act_1926.pdf), meaning they [lack formal union rights and collective bargaining power](https://aicctu.org/workers-resistance/v1/workers-resistance-jan-2023-special-issue/defrauded-and-disorganised-gig-workers-india). Without the right to organise or negotiate, workers are vulnerable to unfair wage practices and arbitrary penalties imposed by platform companies​

3. **Workplace Safety and Compensation**: Unlike factory workers covered under laws like the [Factories Act, 1948](https://www.indiacode.nic.in/bitstream/123456789/1530/1/A1948-63.pdf), gig workers are not entitled to workplace safety provisions or compensation for work-related injuries under the [Employees' Compensation Act, 1923](https://www.indiacode.nic.in/bitstream/123456789/11221/1/employees_compensation_act%2C_1923.pdf)

**Proposed Solutions: Addressing the Key Issues**

1. **Formal Employee Status**: Reclassify gig workers either as employees or create a new legal category that ensures access to minimum wages, paid leave, accident insurance, and social security benefits. This would help reduce income volatility and improve job security​.

2. **Mandatory Health and Safety Regulations**: Enforce health and safety standards for gig workers, akin to the provisions in the Factories Act, to ensure safer working conditions. This would include mandatory accident insurance, health coverage, and rest periods​.

3. **Collective Bargaining Rights**: Amend the Trade Unions Act to allow gig workers to form unions and engage in collective bargaining. This would provide them with a platform to negotiate better wages, fair working conditions, and protection against unfair dismissals​.

**Legal Route: Learning from European and Indian Examples**

1. **United Kingdom:** [Uber vs. Aslam (2021):](https://www.supremecourt.uk/cases/uksc-2019-0029.html) The UK Supreme Court ruled that Uber drivers must be classified as "workers" rather than independent contractors, granting them minimum wage, paid leave, and the right to unionise. This landmark case shows how the reclassification of gig workers can significantly improve their working conditions​.

2. **Spain**: [Riders Law (2021):](https://osha.europa.eu/sites/default/files/2022-01/Spain_Riders_Law_new_regulation_digital_platform_work.pdf) Spain’s Riders Law mandates that gig workers in food delivery be treated as employees, giving them access to unemployment benefits, paid leave, and social security​.

3. **Rajasthan Platform-Based Gig Workers Act, 2023**: In India, the state of Rajasthan has passed [the Platform-Based Gig Workers Act,](https://aioe.in/wp-content/uploads/2023/09/Gig_Workers_Bill_2023_1690274461.pdf) which requires all gig workers to be registered and provides a Welfare Fund for their social security. This Act sets an important precedent for improving the welfare of gig workers in India, although its long-term success and nationwide scalability remain to be seen​.

**Application for India: Case Studies and Benefits**

**Falling Incomes and Rising Costs**: The [NCAER study](https://www.ncaer.org/publication/socio-economic-impact-assessment-of-food-delivery-platform-workers) shows that between 2019 and 2022, gig workers’ real incomes decreased while their operational costs rose. This trend highlights the urgent need for regulatory reforms to protect gig workers from further exploitation​.

**Accident Fatalities**: Cases such as the [death of a Zomato delivery worker in Hyderabad](https://www.siasat.com/zomato-delivery-boy-dies-in-road-accident-in-hyderabad-compensation-demanded-3094686/) demonstrate the severe lack of compensation for work-related injuries and fatalities, further underlining the need for mandatory accident insurance​.

**Health Risks**: Gig workers, particularly delivery riders and drivers, face long hours, physical strain, and road accidents[. Uber and Ola drivers have reported working over 12 hours daily](https://scroll.in/article/926146/overworked-and-underpaid-indias-gig-workers-are-survivors-of-a-flawed-economy) to meet trip incentives, often without health insurance or compensation for work-related health issues.

**Benefits to the Public**

Implementing these reforms would not only protect gig workers but also improve the overall quality of services provided by these platforms. Safer working conditions and fair wages will lead to a more motivated and productive workforce, ensuring better customer service and more sustainable growth for the gig economy.

**Summary: List of issues and concerns**

**Status of Social Security Code, 2020**: An update on the implementation of the Social Security Code, 2020, with a focus on gig and platform workers, is required. This includes progress on draft rules in various States, current developments in social security schemes, and the role of the Centre for Labour Studies, NLSUI. Information on challenges, timelines, and efforts to increase awareness among gig workers should be provided.

**Legal Reforms for Unionization**: Clarify the government’s position on legal reforms akin to the UK’s Uber ruling or Spain’s Riders Law. Details are needed on potential amendments to labour laws for unionization, support for collective bargaining, and the expected impact on workers and platform companies.

**Addressing Costs and Incomes:** Outline the measures being taken to address the declining incomes and rising costs for gig workers. This includes proposed support programs, regulations to control operational costs, and steps to ensure stable income. Ongoing research and collaboration with industry experts to address these challenges should be detailed.

**Regulations for Platform Companies:** Provide details on planned stricter regulations for platform companies to ensure compliance with labour laws. This encompasses fair pay, safety measures, transparency in reporting, and penalties for non-compliance. Support mechanisms for companies to adapt to these regulations should also be included.

**Comprehensive Strategies for Gig Workers:** Present the government’s comprehensive strategy to address gig workers' needs, covering employment status, social security, and workplace safety. Effective coordination among government agencies, identification of policy gaps, and continued engagement with stakeholders for ongoing improvements are essential.

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