

Growth of Trends and Challenges, Opportunities of the Gig Economy in India

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ABSTRACT

The "gig economy" is defined as a market based on fixed-term contracts or project-based payments by a company, third party, or online marketplace. This sector has experienced tremendous growth with the rise of the internet, particularly in India, where there has been a significant increase in short-term and flexible contract workers. These workers rely on completing tasks to receive payment rather than having a fixed salary and job security. In India, the government has categorised gig economy workers into two groups: platform workers and non-platform workers. Platform workers engage with companies through online platforms, while non-platform workers do not operate under such platforms. The market has grown tremendously with the rise of the internet and is especially growing rapidly in developing countries such as India. India has the fifth-largest population of gig economy workers, and by 2030, this could improve to 3rd place. By 2030, there is also an estimate that India's gig economy workers will rise by around 200% and contribute to around 2.5% of the GDP. This article explores the Growth of Trends, Challenges, and Opportunities of the Gig Economy in India.

INTRODUCTION

Gig' a word, coined several decades earlier, seems to have gained prominence in today's time. In the present context, a 'gig economy' involves a temporary contractual job or short-term contract or freelance work that a person may take, on a project-to-project basis, for which payment is made once the task is completed. The gig economy gets its name from each piece of work being akin to an individual 'gig'. It can be defined as an "economic activity that involves the use of temporary or freelance workers to perform jobs typically in the service sector." A gig economy encompasses all platforms that hire independent contractors, consultants, and workers in different sectors, such as information technology, content creation, social media marketing, and communications, food and beverages, creative fields such as art and design.

The gig economy is defined by a labour market where there is a greater prevalence of short-term and flexible contract workers rather than permanent full-time workers. Examples of gig economy workers include Zomato, Rapido, consultants, etc. These workers generally differ from normal kinds of workers. These workers depend more on fulfilling their tasks to get paid rather than being offered a fixed amount of pay and job security. The Indian government has split gig economy workers into two categories; platform workers and non-platform workers. A platform worker is a worker who works for companies which have online platforms, such as Amazon and Swiggy delivery workers. Non-platform workers are workers who do not work under such platforms; examples include construction workers and non-technology temporary workers.

The Gig economy working model was formed way back during the post-WW2 era when temporary job agencies offered temporary workers to companies looking to fill short-term positions. This further evolved with the internet being used and websites such as Craigslist being formed where workers can post online about their experience and job skills; with this, the gig economy truly expanded. With this model in mind, more companies have hired temporary workers, and some companies, such as Ola and Swiggy, run their entire business on those types of workers. Gig economy workers first started being recognised as workers in the legal system by the US. However, there needs to be more recognition and laws pertaining to gig economy workers in countries around the world.

Significance of the Study

The gig economy in India has experienced significant growth in recent years. While the gig model is not new in India, as daily earners and temporary farm workers have operated within this framework for many years, it now contributes an incremental 1.25 percent to the country's GDP over the long term. The gig model offers a dynamic work culture and

improves livelihood opportunities, particularly for low income workers. The rising demand for gig workers, along with increased participation from youth and women, indicates that the gig economy is becoming increasingly popular in India. The leading sectors propelling this growth include ride-hailing, e-commerce, and food delivery. Additionally, the government is taking measures to address the challenges faced by gig workers. In 2020, the Ministry of Labour and Employment introduced a social security scheme aimed at gig workers, encompassing health and life insurance, disability coverage, and the potential establishment of a code of conduct for gig platforms to guarantee equitable treatment of workers. In March 2021, the government revealed its efforts to formulate a new regulatory framework for the gig economy, aimed at providing legal safeguards for gig workers and preventing their exploitation by platform companies. The government has initiated various skill development programs, such as the Pradhan Mantri Kaushal Vikas Yojana (PMKVY), to assist gig workers in acquiring new skills and enhancing their employability. Furthermore, several financial assistance programs have been launched to support gig workers adversely affected by the Covid-19 pandemic, including the Pradhan Mantri Garib Kalyan Yojana. To ensure that gig workers can fully exercise their rights and access the benefits available to them, increased collaboration among the government, employers, and workers' organizations is essential. The outlook for the gig economy in India remains optimistic, with expectations of continued growth in both the number of gig workers and the variety of services they provide.

REVIEW OF LITERATURE

Regarding the nature of **gig work**, **Wood et al. (2019)** posit that one of the differentiating factors of gig work is the platform-based 'rating systems.' This type of management can be understood as a customer-based management strategy significantly different from the traditional Taylorist approach. The workers were given relative freedom to do as they wished, and the 'control' would be established once the work was completed rather than during it.

In another study by **De Ruyter and Brown (2019)**, they state that the types of jobs available in this economy have low entry barriers. The authors address the issues and challenges associated with 'traditional labour markets.' Gig workers appear to be predominantly young people who are either actively searching for employment or currently studying. Thus, gig work is more of a 'temporary process' until they get access to more standardised employment forms. Several debates have surrounded the perceived advantages and disadvantages of gig work in the academic world.

Bhattacharya S. (2019) has published a summary report of a survey in the Economic Times. The survey was conducted by TimesJobs on June 20th, 2018, to study India's emergence of the gig economy. Analysing 2100 HR professionals' responses across different verticals, the study reveals a shift in how businesses operate. The gig economy benefits from cost-saving perspectives and also in terms of gaining competitive advantages. The increased dependence on a 'fluid workforce' disrupts the traditional permanent jobs model among organisations, large or small. According to the respondents, freelancers' largest employers emerge from the IT and tech, media and communications, and events sectors. The report states that the main reasons for the rise in freelancing are the flexibility of work and easy access to technology, followed by a surge in mobility and work variety.

Riley J. (2020) mentions the need for some regulation of the gig economy. According to his study, gig workers deserve basic market protections like any other employee. The existing regulatory initiatives mostly concern consumer protection issues and eliminate unfair competition among sectors. The paper posits that a potential solution would be to introduce a scheme that provides protections similar to those available to 'Small Business Workers' in unique commercial relationships.

Dr. Bindiya Gupta (2022): The study concludes with a discussion of the factors that distinguish the gig economy and gig employment from earlier types of temporary work with a shorter duration and a wider range of businesses and workers, particularly those with lower skill levels and less reliance.

Dr. Pushpa Suryavanshi (2022): The research helps to comprehend the gig economy's important role in the future and describes how it will expand, as well as its obstacles and prospects in India. The government can play a big part in helping India capitalise on the gig economy.

In the academic world, at the global level, there is a fair amount of literature regarding the perceived risks associated with gig work and a call to world governments for regulation and inclusion of labour laws to protect gig workers from potential exploitation. However, there is considerably less research done on the nature or impact of India's gig economy. Thus, the study aims to fill gaps by shedding light on the nature of gig work, the factors contributing to its rise, and its impact on the economy.

Objective of the Study

1. To describe the significance of the gig economy in India.
2. To explore the role of the gig economy in accelerating India's economic growth.
3. To evaluate the need for the gig economy in India.
4. To explain the opportunities and challenges of the gig economy in India.

RESEARCH METHODOLOGY

This research is descriptive in nature and brief about the gig economy, which is based upon the secondary data. The relevant data is collected from various journals, blogs, research papers, websites, and articles.

The key features of the gig economy

Flexibility: Gig workers have the freedom to choose when, where, and how much they work.
Independent contractor status: Gig workers are usually considered independent contractors rather than traditional employees.

Digital platforms: These platforms facilitate the matching of gig workers with available gigs and often handle payment transactions.

Task-based work: Instead of long-term employment, gig workers typically engage in specific tasks, projects, or assignments.

Uncertain income and job security: The gig economy offers flexibility but often comes with income variability and less stability compared to traditional employment.

Significance of the Gig Economy

- **Opportunities for Gig Workers:** The gig economy provides flexible work that helps balance personal and professional life, especially benefiting women, while enhancing skills and earning potential.
- **Business Friendly:** Businesses gain cost-effective, scalable labour and can hire skilled workers for short-term projects, boosting productivity without long-term commitments.
- **Economic Growth and Job Creation:** By 2030, India's gig economy could support 90 million jobs, handle USD 250 billion in work volume, contribute 1.25% to GDP, and make up 4.1% of the workforce.
- **Inclusive Growth:** Initially dominated by high-income professionals, the gig economy now offers alternative income and flexible jobs to entry-level workers and freshers, especially in growing Tier-II and Tier-III cities.
- **Future Potential with Technology Integration:** The gig economy is set to drive economic growth and job creation, boosted by Artificial Intelligence (AI), predictive analytics, and digital innovation enhancing gig work's efficiency and reach.
- **Supporting the Informal Economy:** Many gig workers in India, including drivers and delivery staff from informal sectors like agriculture, find additional work opportunities through platforms like Zomato and Swiggy.

Drivers of the Gig Economy in India The drivers of the gig economy in India are the factors that contribute to the growth and development of non-traditional work arrangements, where individuals work as independent contractors or freelancers rather than as employees of a single company. The gig economy in India is primarily fuelled by a combination of technological, social, and economic factors and is expected to continue its growth in the upcoming years.

Some key drivers of the gig economy in India include:

1. Young Demographic Dividend: India boasts a large and expanding population of young, well-educated, and tech-savvy individuals.

2. Technology Advancements: The proliferation of smartphones, high-speed internet, digital platforms, and technologies has enabled remote and independent work, serving as a significant driver for the gig economy.

3. Increasing Levels of Education and Skills: With a growing number of individuals in India achieving higher levels of education and developing specialised skills, there is a rising demand for opportunities to leverage their expertise through gig work. Urbanisation and Rising 4.

4. Consumer Demand: The rapid urbanisation in India, coupled with an expanding middle class, has created a substantial demand for gig workers in sectors such as transportation, delivery, home services, and e-commerce.

5. Cost-Effective Labour: Businesses find gig workers to be a cost-effective alternative to traditional employees, as they can be hired on a project-by-project basis without the obligation of providing benefits or additional compensation.

6. Flexible Work Arrangements: The younger generation increasingly favours flexible working hours, particularly in the aftermath of the Covid-19 pandemic. They appreciate the opportunity to establish their own schedules and select the projects they wish to engage in, which is especially attractive to those who prioritise work-life balance over conventional employment models.

7. Entrepreneurship: The gig economy has fostered a new wave of entrepreneurs who leverage digital platforms to launch their own ventures and provide services to clients globally.

8. Supportive Government Policies: The Indian government has shown a commitment to the gig economy by implementing various initiatives aimed at its promotion, including the Digital India initiative, Startup India, and Skill India programs.

9. Work Approach: Working in the private sector is challenging due to hectic work-life balances. This created a negative perception of full-time work. Private company employees may become bored with the same work on a daily basis.

10. Startup Culture: The startup ecosystem in India is experiencing rapid growth, with numerous startups increasingly engaging freelancers and contract workers. These companies are particularly focused on hiring skilled technology professionals on a project basis across various fields such as engineering, information technology, and data science.

11. Multi-National Companies (MNCs): MNCs are also embracing gig workers as a strategy to lower operational expenses. It is projected that India will see approximately 350 million gig jobs by 2025, creating significant opportunities for job seekers to adapt to the evolving employment landscape.

Leading Gig Economies

Several Indian companies that promote gig employment in India include

1. Ola: A well-known ride-hailing service in India that offers gig job opportunities for drivers. Individuals can register as drivers and earn income by providing transportation services to passengers.

2. Swiggy: A food delivery service that provides gig employment to delivery partners. Delivery partners can join Swiggy and earn money by delivering meals from restaurants to customers' homes.

3. Zomato: This prominent food delivery service in India offers gig employment opportunities for delivery personnel. Much like Swiggy, individuals have the option to become delivery partners with Zomato, allowing them to earn income through the delivery of food orders.

4. UrbanClap: This platform serves as a bridge between customers and service professionals, facilitating a range of services including home cleaning, beauty treatments, plumbing, and more. It provides gig employment opportunities for service professionals who can register as independent contractors to offer their services to clients.

5. Dunzo: This hyper-local delivery service enables users to accomplish various tasks, such as grocery pickups and package deliveries. It presents gig employment opportunities for delivery partners who can register and earn money by fulfilling assigned tasks.

Need for the Gig Economy in India

The gig economy remains a debated topic, necessitating substantial support for its advancement:

1. Catering to Low-Skilled Demand: Currently, approximately 47 percent of gig employment is in medium-skilled positions, 22 percent in high-skilled roles, and 31 percent in low-skilled jobs.

2. Employment Opportunities: India faces the pressing challenge of creating sufficient employment opportunities for its population. The gig economy has broadened job availability and enhanced labour force participation.

3. Young Demographic Dividend: India boasts a significant and expanding population of young, well-educated, and technologically adept individuals.

4. Female Labour Force: Women engaged in gig work benefit from the potential for income generation, the freedom of choice, and the flexible working arrangements that the gig economy offers.

5. Catering to Retired Individuals: The flexibility inherent in contract work has encouraged many retirees to re-enter the workforce.

6. Democratisation of Employment: The gig and platform sectors feature low barriers to entry, presenting substantial opportunities for job creation in India.

7. Technological Disruption: Advances in technology, particularly in artificial intelligence, robotics, and data analytics, have removed traditional workplace constraints. The integration of technology within the gig economy can enhance productivity and elevate the living standards of gig workers.

8. Last-Mile Delivery: The gig economy has transformed the last-mile delivery sector, rendering it more accessible, cost-effective, and efficient.

9. Remote Work: Advances in telecommunications have made work more dynamic, enabling individuals to collaborate effectively regardless of their geographical locations.

10. Start-Up Culture: Gig workers present a financially viable alternative to conventional employees, as they can be engaged on a project-specific basis without the obligation to offer benefits or other forms of remuneration.

Status of India's Gig Economy

A NITI Aayog report estimates 7.7 million gig workers in India in 2020–21, projected to reach 23.5 million by 2029–30, mostly in medium-skilled jobs.

Key Factors of Growth

1. Growing Digital Access: India has over 936 million internet users, with rapid growth in rural areas. Around 650 million smartphone users, supported by falling prices, are expanding access and strengthening the gig economy.

2. E-Commerce Boom: The growth of startups and e-commerce is driving demand for flexible gig workers in content creation, marketing, logistics, and delivery.

3. Rising Demand for Convenience: Urban consumers' demand for quick services like food delivery and e-commerce boosts gig opportunities in delivery and customer support.

4. Low-Cost Labour: A surplus of semi-skilled labour, high unemployment, and weak social security drive many into low-paid gig work as a survival strategy.

5. Shift in Work Preferences: Younger generations favour flexibility and work-life balance, finding gig work attractive for its project-based, remote, and flexible options.

Role of the Gig Economy in Accelerating India's Economic Growth

- **Job Creation and Employment Flexibility:** The gig economy plays a crucial role in addressing India's job crisis by offering flexible, short-term employment opportunities.
- Amidst the formal sector's stagnation, gig work provides an avenue for millions, especially the youth, to participate in the workforce.
- Data from NITI Aayog estimates that gig workers in India will rise from 7.7 million in 2020 to 23.5 million by 2029-30. This surge indicates the sector's ability to absorb a large section of the underemployed population.
- **Supporting the Informal Economy Transition:** The gig economy acts as a bridge for workers transitioning from the informal sector to more structured employment models, providing a safety net and structured earnings.
- For example, a large portion of India's gig workforce, like drivers and delivery workers, comes from informal sectors like agriculture and unskilled labour.
- With the rise of platforms like Zomato and Swiggy, millions of informal workers have found an additional space for work in spare hours, with NITI Aayog projecting a significant rise in such workforce participation.
- **Fostering Innovation and Entrepreneurship:** Gig platforms empower workers to operate as independent contractors, cultivating an entrepreneurial mindset among millions.

- This flexibility drives the development of innovative service models across sectors like transport, food delivery, and freelancing.
 - Gig work has become synonymous with "be your own boss," with companies like Uber and UrbanClap providing opportunities for workers to develop their business acumen.
 - Over 80% of gig workers on platforms like these are self-employed, showing the entrepreneurial growth sparked by this model.
- Driving Digital Transformation and Economic Growth:** The gig economy is a significant driver of digital penetration in India, fostering increased usage of smartphones, digital payments, and other online services.
- By integrating gig work into the mainstream economy, digital platforms contribute to India's tech-driven economic expansion.
 - India's growing e-commerce sector is a testament to this shift, as evidenced by the 2023 surge in gig-based deliveries during festival seasons.
 - Platforms like Blinkit and Swiggy reported increased earnings by 40-50% during such periods, showcasing the role of gig workers in stimulating economic activity.
- **Contributing to Tax Revenue Generation:** Gig platforms contribute to India's tax revenue, especially with the implementation of digital payments and the rise of regulatory frameworks.
 - By formalising payments and work, gig platforms enable governments to tap into previously untaxed economic activity.
 - In 2024, the Indian government introduced frameworks for gig workers' registration under the e-Shram portal, aiming to track and regulate the industry.
 - The inclusion of gig workers under social security programs like the Ayushman Bharat Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) also opens up new channels for expanding the sector.
 - **Enhancing Inclusivity and Empowering Marginalised Groups:** The gig economy provides an avenue for marginalised groups, particularly women and rural populations, to earn independently, improving their financial autonomy and social mobility.
 - The work-from-home nature of many gig jobs allows women to enter the workforce in an environment that is less restrictive.
 - Reports indicate that women make up nearly 28% of India's gig economy workers, with many women turning to platforms like Urban Clap for home-based services.

Key Issues Associated with the Gig Economy in India

- ❖ **Lack of Social Security and Benefits:** A major issue in India's gig economy is the absence of social security, including health insurance, pension plans, and paid leave. Gig workers are often classified as independent contractors, leaving them without any formal benefits. This leads to financial insecurity, especially in case of illness or accidents.
- ❖ A 2024 NITI Aayog report highlighted that 90% of gig workers lack savings and face high vulnerability to emergencies.
- ❖ The recent inclusion of gig workers in the AB-PMJDY is a step forward, but comprehensive social security remains a challenge.
- ❖ **Income Instability and Low Wages:** Despite the promise of flexible earnings, gig workers face income instability and wages below the national minimum standard. Many workers struggle to earn enough to meet basic living expenses, working long hours for meagre pay.
- ❖ The 2023 Fair Work India study found that gig workers in delivery services and ride-hailing platforms earn ₹15,000-20,000 per month, below the minimum wage for the hours they work.
- ❖ Over 70% of gig workers reported difficulty managing household expenses due to irregular earnings, with a large portion of their income being eaten up by platform commissions.
- ❖ **Exploitation and Unfair Working Conditions:** Gig workers often face exploitative conditions, including long working hours without adequate compensation or job security.
- ❖ These workers are pressured to meet high performance targets, sometimes leading to physical and mental exhaustion.
- ❖ The "Prisoners on Wheels" report found that 78% of gig workers work over 10 hours a day.
- ❖ Such long hours lead to serious health issues. Also, the 10-minute delivery race turns into a daily hustle for gig workers, endangering their safety as they bear the brunt of consumer convenience.
- ❖ **Absence of Legal Protections and Recognition:** Gig workers in India are not recognised under traditional labour laws, leaving them without legal protections such as minimum wages, overtime, or dispute resolution mechanisms.
- ❖ This lack of recognition complicates efforts to secure fair treatment.
- ❖ The 2020 Code on Social Security acknowledges gig workers but fails to provide full labour rights, such as minimum wage guarantees and regulated working hours.

- ❖ Digital Exclusion and Technological Dependence: While digital platforms offer gig work opportunities, the growing reliance on technology excludes workers without adequate digital skills or access to technology.
- ❖ Rural workers often lack access to high-paying gig opportunities due to poor internet connectivity and platform availability (NITI Aayog, 2022).
- ❖ Moreover, the dependency on mobile apps for daily operations increases technical or algorithmic errors, further marginalising these workers.
- ❖ **Arbitrary Deactivation and Customer Misbehaviour:** A major issue faced by gig workers is the arbitrary deactivation of accounts and harassment from customers.
- ❖ Platforms often block or deactivate worker accounts without clear reasons, leading to a loss of income and job insecurity.
- ❖ In a survey, 83% of cab drivers and 87% of delivery personnel reported being negatively affected by deactivation.
- ❖ Additionally, 72% of drivers and 68% of delivery workers cited customer misbehaviour as a major stressor, underscoring the lack of adequate grievance redressal mechanisms.

Measures India Adopted to Strengthen and Optimise the Gig Economy

- ❖ **Comprehensive Legal Framework for Gig Workers:** India should introduce a robust legal framework that explicitly defines the rights and responsibilities of gig workers.
- ❖ This framework must address issues such as minimum wage standards, working hours, and protection against unfair termination.
- ❖ This framework could also include provisions for collective bargaining, allowing gig workers to have a unified voice in negotiations with platforms.
- ❖ **Portable Social Security Benefits:** A system of portable social security benefits should be established, where gig workers can accumulate benefits (like insurance and paid leave) regardless of the platform they work for.
- ❖ This would resolve the issue of multiple employers and ensure continuity of welfare provisions.
- ❖ It would also allow for easier transfer of benefits if a worker shifts between platforms or projects without losing their social security entitlements.
- ❖ Such a model would provide stability and financial security to gig workers, which is critical for their long-term welfare.
- ❖ **Digital Literacy and Inclusion Programs:** To bridge the digital divide, India should implement large-scale digital literacy programs targeted at gig workers, especially in rural areas.
- ❖ These programs should focus on enhancing their technical skills and equipping them with the knowledge to navigate digital platforms effectively.
- ❖ By improving digital literacy, workers would be empowered to access more job opportunities, improve their performance, and reduce vulnerability to technological errors or exploitation.
- ❖ The government could partner with digital platforms to create training modules tailored to the needs of gig workers.
- ❖ **Strengthening Grievance Redressal Mechanisms:** India should mandate that gig platforms implement transparent and accessible grievance redressal mechanisms.
- ❖ These systems should allow workers to file complaints about unfair practices, arbitrary deactivations, or exploitation in a clear and efficient manner.
- ❖ Platforms must be legally bound to resolve these complaints in a timely manner, with a system for oversight by labour authorities.
- **Incentivising Platform Compliance with Welfare Laws:** India can adopt a policy that ties incentives to platform compliance with welfare laws, such as the inclusion of workers under social security schemes and adherence to fair payment practices.
- This would create a competitive advantage for platforms that prioritise worker welfare, encouraging other platforms to follow suit.
- These incentives could include tax breaks, subsidies, or preferential treatment in government tenders.
- Such measures would encourage platforms to voluntarily comply with legal requirements and promote a more sustainable gig economy.
- **Formalisation of Gig Work through E-Shram Portal Integration:** India can strengthen the integration of gig workers into the formal economy by expanding the e-Shram portal to include gig workers comprehensively.
- The portal should be made more user-friendly and provide workers with a digital identity that links them to welfare schemes and employment opportunities.
- This integration would not only help in tracking gig workers but also ensure that they receive benefits like health coverage, pension schemes, and employment insurance.

- Encouraging State-Level Initiatives for Gig Workers' Welfare: States should be encouraged to develop region-specific policies that cater to the unique needs of gig workers in their areas.
- By tailoring solutions to local contexts, such as offering subsidies for skill development, creating affordable housing for workers, or establishing worker support centres, states can ensure a more equitable distribution of benefits.
- This decentralised approach would also enable more effective implementation of national policies while addressing local challenges faced by gig workers in different regions.
- Rajasthan's Platform-Based Gig Workers Act is a significant step; other states can learn from the same.
- India's gig economy holds immense potential in driving job creation, fostering innovation, and supporting digital transformation. To unlock the full potential of gig work, India must implement comprehensive measures like robust legal frameworks, portable social security, and enhanced grievance redressal systems.

Opportunities and benefits of Gig Economy.

1. Reducing unemployment: As a developing nation, India faces the difficulty of giving everyone access to work opportunities. Due to scheduling flexibility, the gig economy has increased employment availability and labour force participation.

2. Cost reduction: By creating a parallel job market within their company, which consists of both high-paid committed employees and lower-paid freelancers, employers can get rid of inefficiencies and cut expenses. In order to get specialised talent, Fortune 500 organisations are increasingly using online freelance marketplaces. Some Indian businesses discover that traditional hiring procedures don't always fit with their business needs. According to case studies of Fortune 500 organisations, teams used to decide what work was done, but today the team's makeup is decided by the job. In addition, businesses no longer have to choose between permanent staff and independent contractors. Bagchi K, Varma G, Kedia M, Kathuria R, and Khullar S (2017).

3. More women could join the workforce: Encouraging the gig economy would also create new opportunities for women to join the workforce. Women with advanced degrees and skills who are unable to work full-time in the corporate sector may be able to find alternative methods to earn money. This might also be a significant way to raise India's GDP.

4. Flexible work arrangements: Since they free up time for other crucial activities, such as further education, many skilled workers are embracing independent employment and flexible work initiatives.

5. As artificial intelligence has advanced, it is now feasible for robots to select the best candidates for each profile. It can aid in raising an organisation's level of production.

Challenges of the Gig Economy

In India, the gig economy has expanded rapidly, spanning a wide range of services from food delivery and ride-sharing to freelance work. However, this growth has outpaced the development of regulatory frameworks to ensure fair and safe working conditions for these gig workers. Some of the challenges that they face are

Income fluctuation :As most of the gig workers don't have a fixed job, and neither are their jobs fixed, they have to face income fluctuations. This inconsistency often forces them to overwork to make ends meet.

Lack of Legal Protection & Social Security: Gig workers in India are not covered under labour laws, leaving them without legal protection against discrimination, unfair termination, or workplace harassment. Additionally, they are deprived of crucial benefits such as health insurance, retirement benefits, and paid leave. This exclusion from labour protections and benefits means gig workers face significant vulnerabilities, with no safety nets for health emergencies, financial instability during retirement, or time off for illness or personal needs.

Work Conditions: working conditions of gig jobs are detrimental to workers' health. Many drivers face demanding work hours, leading to physical exhaustion and a heightened risk of road traffic accidents. This risk is further intensified by stringent policies like the '10-minute delivery at the doorstep' enforced by some e-commerce platforms. These tight delivery deadlines compel drivers to rush, compromising their safety and well-being. Additionally, the constant pressure to meet such rapid delivery times can lead to chronic stress and burnout, making the job environment even more hazardous and unsustainable in the long run.

Social isolation: Gig workers often experience social isolation due to the nature of their work. Unlike traditional employees, they typically operate independently and lack a physical workplace, which limits opportunities for social

interaction and the development of professional relationships. The absence of a communal work environment also means they miss out on the camaraderie and networking opportunities that can be beneficial for career growth and personal well-being.

The Stakeholders

There are three stakeholders in the gig economy. Firstly, there are companies that hire gig economy workers; they usually hire them from online platforms, such as Uber drivers and Zomato delivery workers. Second, there are the workers who work under these companies, and lastly, the government, which acts as a mediator between these two and passes laws that will directly impact both the company and its workers. In India, the government has formulated many laws to protect gig economy workers; some of them are included in the CLRA, UWSSA, and other construction worker acts (Ramesh, 2023). However, these laws were made much earlier and do not affect a large portion of the modern gig economy workers, the platform workers. Therefore, the platform workers' ratio between gig and non-gig economy workers is 20:1, and these people do not have any liable protection towards them (Ganguly, 2024). Therefore, this leads to problems like salary shortfalls, lack of insurance coverage, income fluctuations, and a lack of job security.

There are certain benefits and drawbacks to the gig economy for workers. Firstly, the advantage is that people can have the flexibility to work, meaning they can work two to three different jobs, giving more variety of work, making it interesting for them to work at. Second, the company cannot have its hold over them, meaning the workers have the independence to work as they wish to with whoever they want without the companies' contracts hindering them. The disadvantages, though, are that gig economy workers usually have higher work hours than regular workers. This is due to the fact that no company benefits or work hours are being put on their contract, leading to a loss of work-life balance and exhaustion. Another disadvantage is that the company benefits themselves, with no health insurance, no paid leave, or job security. Temporary workers working in the gig economy lack many things permanent workers normally get offered. This is also due to government laws not directly targeting gig economy workers specifically, so there are a lot of loopholes that can be exploited against them.

SOLUTIONS

The gig economy is a contentious subject, and many reforms still need to be made to improve the lives of the workers working in that labour market. To go forward with these reforms, certain conditions have to be met, though. Firstly, a better legal structure is needed to affect the gig economy workers. Currently, India barely recognises gig economy workers, and only construction safety laws are covered. Platform workers need to have the distinction of being covered, unfortunately, and when the government makes laws pertaining to platform workers as well, then only can there be a better solution for gig economy workers' problems. Another solution could be for the workers to unionise themselves; with better unionising, there is greater bargaining power for them, and with that, they can negotiate better benefits for themselves. Currently, the All-India Gig Economy Workers Union offers significant support for gig economy workers (Shukla, 2024), but this could be improved further with more publicity.

CONCLUSION

The gig economy is still growing, with countless people joining their number; there is a growing change in India and the world among workers for greater flexibility and choosing their schedules. With these growing numbers, the government must realise and change the legal framework for these workers to protect them and ensure that they, too, receive better conditions just like full-time workers. With only significant changes can the gig economy improve itself and bring forth real change. The gig economy in India is significantly reshaping the landscape of work in the digital era. Enabled by technological advancements and supported by the increasing demand for flexibility and autonomy, the gig economy has provided opportunities for individuals to increase their skills and talents on a more flexible basis. The result of a gig economy is cheaper, more efficient, and more flexible services that can offer consumers a unique and fast alternative to regular, standardised business. However, challenges such as income stability, lack of social security benefits, and regulatory uncertainties remain pertinent issues that need to be addressed to ensure the sustainability and inclusivity of the gig economy. Gig work facilitates women being paid decent earnings, improving their lifestyle and financial liberty. Because of the rapid changes in technology, the future of work will change.

The gig economy is predicted to be a significant building block in achieving India's aim to become a \$5 trillion economy by 2025, helping bridge the income and unemployment gap. Given the rapid growth and growing significance of the platform economy, it therefore becomes imperative to undertake a systematic quantitative assessment of the current size and job generation potential and suggest policy measures for boosting employment opportunities in this sector, it is opined. The gig economy is growing in the current fourth industrial revolution age and has the potential to greatly help emerging nations like India. Collaboration between the government, employees, and educational institutions can help turn obstacles

into possibilities. The extent of the gig economy in India will be largely determined by labour regulations and government policy. People must prepare for lifelong learning, as they will need to reskill or upskill in the constantly changing environment.

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