
POSITION OF GIG WORKERS IN INDIA AND OTHER JURISDICTIONS

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ABSTRACT

This research paper examines the evolving legal framework governing social security for gig workers in India, situating it within both domestic and international contexts. The rapid growth of the gig economy, driven by technological advancements and digital platforms, has transformed traditional employment structures, creating flexible work opportunities while simultaneously exposing workers to vulnerabilities such as lack of job security and inadequate social protection.

The study analyses the provisions of the Code on Social Security, 2020, which marks a significant step in recognising gig and platform workers within the legal framework. It evaluates key mechanisms such as the Social Security Fund, e-Shram portal, and the National Social Security Board, while highlighting challenges in implementation, including vague statutory language, overlapping worker classifications, and limited enforceability of welfare schemes.

Further, the paper undertakes a comparative analysis of regulatory approaches in jurisdictions such as the United States, European Union, and Singapore, identifying best practices and policy innovations. It argues that despite legislative progress, India's framework remains underdeveloped and requires clearer definitions, stronger enforcement, and inclusive welfare measures.

Lastly, it concludes by emphasising the need for a balanced approach that fosters economic innovation while ensuring adequate protection, dignity, and social security for gig workers in a rapidly evolving labour market

1. INTRODUCTION

Technological advancements over the last few decades have hugely impacted and evolved the nature of work and employment in the present time. With these advancements, people are no longer required to be unwillingly employed at hazardous places for their daily bread and butter. One of the recent developments with this technological transformation concerns Gig Workers. The term 'gig' is not a modern term, though. It was used in the 20th century by Jazz Musicians to denote a short-term musical engagement or hire¹. The phrase 'Gig Worker' describes a person who accepts a temporary job that must be finished in a specific amount of time under unusual working conditions. Section 2(35) of 'The Code on Social Security, 2020', provides the definition of Gig Workers as "a person who performs work or participates in a work arrangement and earns from such activities outside of a traditional employer-employee relationship". Gig people are able to work at different platforms such as Zomato, Swiggy, and Instamart at the same time without working for any one of them on a fixed, permanent basis. Delivery, ridesharing, and freelancing are all part of the gig economy, which has grown and transformed informal occupations into professions that are witnessed in the system. With over 80 crore smartphone users and 15 billion UPI transactions every month, the sector saw a 55% increase in employment from 77 lakh in FY21 to 120 lakh in FY25². Gig workers now make up more than 2% of India's workforce, and their growth is faster than that of other jobs. By 2029–2030, non-agricultural gigs are expected to make up 6.7% of the workforce and contribute ₹2.35 lakh crore to the country's GDP, according to the Economic Survey 2025-26.³ Such a vast industry needs to be protected and governed by specific laws. This paper looks into the position of gig workers in India and in other jurisdictions, laws governing them and the challenges faced.

1.1 WHAT IS SOCIAL SECURITY-

Social Security is an ever-evolving concept that varies according to place and circumstances. Traditionally, it was upon the state to provide social security, but the responsibility has become

¹ 'Gig' (Merriam-Webster) <<https://www.merriam-webster.com/dictionary/gig>> accessed 2nd April, 2026.

² Press Information Bureau, Govt. of India, RIGHT SKILLING, ENTREPRENEURIAL SPIRIT AND GOVERNMENT INITIATIVES CONTINUE TO BRING DOWN UNEMPLOYMENT, SAYS THE ECONOMIC SURVEY 2025-26, 29th Jan, 2026, <<https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=2219940®=3&lang=1>> accessed 2nd Apr, 2026.

³ Ibid at 2

collective after the emergence of non-traditional occupations.

ILO defines social security as “protection that a society provides to individuals and households to ensure access to health care and to guarantee income security, particularly in cases of old age, unemployment, sickness, invalidity, work injury, maternity or loss of a breadwinner.”⁴ In general, social security can be defined as a safety net that employees and their families can rely on for unforeseen circumstances. Employers or the State may provide for this.

1.2 ABOUT THE GIG ECONOMY-

The gig economy is characterised by short-term, flexible, freelance work in which people (gig workers) fulfil particular tasks or projects for businesses and clients as needed. In contrast to typical 9–5 employment, this approach, which is frequently enabled by digital apps and platforms, permits flexible, project-based work.

According to the survey (Niti Aayog, 2022), 77 lakh (7.7 million) workers are engaged in the gig economy in 2020–2021. By 2029–2030, the gig economy is expected to reach 2.35 crore (23.5 million) workers. Currently, medium-skilled jobs account for around 47% of gig labour, high-skilled jobs for about 22%, and low-skilled employment for about 31%.⁵

There are 3 main constituents of the gig economy-

- i) Gig Economy Worker- A person hired to carry out a specific task.
- ii) Consumer: A person or company that needs a specific service and wants it to be provided to them via online channels.
- iii) Aggregator Companies- Those that link gig workers and consumers based on their needs. It includes Uber, Ola, and Blinkit, among others.⁶

⁴ World Social Protection Report 2017-19: Universal social protection to achieve the Sustainable Development Goals” (International Labour Organization, 2017) <https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/--publ/documents/publication/wcms_604882.pdf> accessed 29th Mar, 2026.

⁵ India NITI Aayog, “India's booming gig and platform economy perspectives and recommendations on the future of work”, (2022). https://www.niti.gov.in/sites/default/files/2023-06/Policy_Brief_India%27s_Booming_Gig_and_Platform_Economy_27062022.pdf accessed 2nd April, 2026.

⁶ Dr. Rajni Pathania, An Introduction to the Gig Economy (1st ed. 2022).

2. LEGAL FRAMEWORK FOR SOCIAL SECURITY OF GIG WORKERS IN INDIA-

2.1..CONSTITUTIONAL PROVISIONS-

Social security in India is shaped and streamlined by a number of constitutional provisions that are consistent with those found in international legal treaties, including the International Covenant on Economic, Social, and Cultural Rights and the Universal Declaration of Human Rights.

The Constitution⁷ gives the government the authority and responsibility to defend its inhabitants by expanding social security benefits, which contributes to the advancement of welfare state principles. The state must strive to provide social security and aid in situations of unemployment, old age, illness, pregnancy, disability, etc., in compliance with constitutional provisions. Article 41 (public assistance in cases of unemployment/old age), Article 42 (maternity relief), Article 43 (living wages), make particular references to social security measures.⁸ Though these articles are provided in Part IV of the constitution and are not enforceable in nature, the state must always strive to incorporate these provisions into law to give them a legal effect.

2.2 ENACTMENT OF CODE ON SOCIAL SECURITY, 2020

In pursuance of this, the Parliament enacted the Code on Social Security (hereinafter referred to as ‘the code’)⁹ on 28 September, 2020, which finally came into force on 21 November, 2025. This Act alters and puts in place altogether all the laws and provisions relating to social security covering all employees and workers in organised, unorganised, and other sectors and issues related to or incidental to it. The code consolidates nine labour laws into a single framework to provide social security benefits to all workers, including platform, gig, and unorganised workers.¹⁰

⁷ The Constitution of India, 1950

⁸ Ishwara Bhat and Shuvro Prosun Sarker, ‘Constitutional Dimensions of Social Security Laws in India’ (2024) NUJS Journal of Regulatory Studies, vol. 1, no. 2, 82

⁹ The Code on Social Security, 2020

¹⁰ Press Information Bureau, Govt. of India, “Code on Social Security, 2020: Towards Universal and Inclusive Social Protection”, 22nd Nov, 2025, <<https://www.pib.gov.in/FactsheetDetails.aspx?id=150473®=3&lang=1>> accessed 2nd Apr, 2026.

2.3 HOW THE CODE DEFINES GIG ECONOMY-

This code provides a definition of the gig economy for the first time. It defines ‘aggregator’, ‘gig worker’, and ‘platform worker’, among others.

Sec. 2(2) defines ‘aggregator’ as a digital middleman or marketplace that connects a consumer or user with a vendor or provider.

Further, Sec 2(35) defines ‘gig worker’ as a person who works or takes part in arrangements outside of the conventional employer-employee relationship and receives remuneration from such activities.

S. 2(60) defines ‘platform work’, which further helps clarify who a ‘platform worker’ is, as under S. 2(61). “ ‘Platform work’ means a work arrangement outside of a traditional employer-employee relationship in which organisations or individuals use an online platform to access other organisations or individuals to solve specific problems or to provide specific services or any such other activities which may be notified by the Central Government, in exchange for payment.” A person who engages in such work is a platform worker.

Thus, all platform workers are gig workers but not vice versa. Independent contractors doing short-term, project-based work outside of regular employment are known as gig workers. Platform workers are a subgroup of gig workers who utilise internet platforms specifically to discover jobs and get assignments using algorithms. Not all gig workers utilise digital platforms, even if all platform workers are gig workers.

2.4. SOCIAL SECURITY FOR GIG WORKERS UNDER THIS CODE-

S. 2(78), defines social security as, “the measures of protection afforded to employees, unorganised workers, gig workers and platform workers to ensure access to health care and to provide income security, particularly in cases of old age, unemployment, sickness, invalidity, work injury, maternity or loss of a breadwinner by means of rights conferred on them and schemes framed, under this Code”.

Chapter IX of the Code focuses on “Social Security for organised workers, gig workers and platform workers.” It is, however, pertinent to mention that the applicability of the provisions under this chapter does not take effect immediately after the commencement of this code and

is rather subject to further legislation by the central and state governments.

The Central Government under clause 1 of S. 114 is empowered to make laws for the welfare of gig and platform workers which may include but not limiting to- “(a) life and disability cover; (b) accident insurance; (c) health and maternity benefits; (d) old age protection; (e) creche facility (for small children with working parents); and (f) any other benefit as may be determined by the Central Government.” Any of these schemes made may be wholly funded by the social security fund, which we will discuss later in this paper.

Helpline and facilitation centres may also be set up under S. 112 of the code to disseminate information regarding social security schemes for unorganised, gig and platform workers. Further, providing them with the application forms, assisting them with the registration process and facilitating their enrolment so as to provide them benefits under the relevant schemes that are operational.

2.5. E- SHRAM PORTAL-

For the purpose of registration of unorganised workers (including gig workers), the ‘Ministry of Labour and Employment’ established the ‘e-Shram’ portal on 26th August, 2021, to create a ‘National Database of Unorganised Workers’ (NDUW). As of 2026, around 380 million (38 Crores) unorganised workers have been registered.¹¹

On December 12, 2024, the Ministry introduced an Aggregator element on the site to register the aggregators and workers they hire. So far, 12 companies and their workers, including Uber, Zomato and Urban Company, have been registered.¹² The main aim is to onboard the platform workers on the official site by providing them with a ‘Universal Account Number’ (UAN) and facilitating the social security benefits.

2.6. NATIONAL SOCIAL SECURITY BOARD

The central government is required to create a ‘National Social Security Board’ (Under Section 6 of this code) through its official notification. The board consists of the ‘Union Minister of

¹¹ Ministry of Labour and Employment, e-Shram portal < <https://eshram.gov.in/faqs>> accessed on 2nd April, 2026.

¹² Press Information Bureau, Govt. of India, ‘Social Security for Gig and Platform Workers’, 29th Jan, 2026 <<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2220307®=3&lang=1>> accessed on 2nd April, 2026

Labour and Welfare’ (as its Chairperson), ‘Secretary to the Ministry of Labour and Welfare Department’ (as Vice-Chairperson), ‘Director General of Labour Welfare’ (as member secretary) and 40 other members. The board, amongst its members, ensures representation of central and state government, unorganised workers, online aggregators and distinguished persons. The purpose of the board is to recommend and monitor policies to be framed by the central government for the welfare of unorganised, gig and platform workers, examine the funds and account expenditures (social security fund), track the policy progress at the state levels or perform any other function as directed by the central government.

2.7. SOCIAL SECURITY FUND

According to S.141 of the act, both central and state governments are required to establish a social security fund. It is a financial pool providing social security benefits and to ensure welfare of unorganised workers, gig workers and platform workers.

The ‘Central Security Fund’ shall be funded by the central government itself, partly by the state and partly by the central government, CSR (Corporate Social Responsibility) fund, funds from offences committed under this Code pertaining to the Central Government, from any other Social Security Fund created by a central labour legislation, from the contribution of the aggregators or from any other source. It is pertinent to mention that aggregator contributions may range from 1-2% of the annual turnover (as per central legislation) and shall not in any case exceed 5% of total worker payouts.

The ‘State Security Fund’, which shall be funded by penalty of offences under this code pertaining to the state government or any other source prescribed by the respective state government, shall be used for the welfare of unorganised workers (no mention of gig and platform workers in the state security fund).

3. STATE-SPECIFIC LAWS

Though the ‘The Code on Social Security’ was passed in the Parliament in 2020, it still took more than 5 years before it commenced in late 2025. States have also enacted their own state-specific laws governing gig workers and giving effect to the CSS, 2020¹³. In India, only four states have regulations pertaining to gig workers: Rajasthan, Karnataka, Bihar, and Jharkhand.

¹³ The Code on Social Security, 2020

While Telangana is in progress to legislate similar policies.¹⁴ In this section, we will discuss the legislation made by two states: Rajasthan and Karnataka.

3.1. RAJASTHAN

Rajasthan became the first state in India to pass specific laws relating to gig and platform workers. The ‘Rajasthan Platform-Based Gig Workers (Registration and Welfare) Act, 2023’ was passed on 24th July 2023 by the Rajasthan assembly. However, this act, which was due to be commenced not later than 120 days from the date of enactment, has been held due to a change in the state government. The act pertaining to platform-based gig workers aims to compulsorily register the said workers and the aggregators; establish a welfare board, a welfare fund and provide social security guarantees to the said workers.

3.1.1. WELFARE BOARD

The act provides for the constitution of ‘Rajasthan Platform-Based Gig Workers Welfare Board’ under S. 3. The board becomes responsible for registering platform gig workers and aggregators, framing and notifying social security plans pertaining to registered platform-based gig workers, ensuring that the benefits of the scheme reach the registered workers, ensuring the protection of their rights, etc¹⁵. In order to assist registered platform-based gig workers, the Act also establishes a social security and welfare fund.

3.1.2. WELFARE FUND

S. 11 calls for the establishment of ‘The Rajasthan Platform-Based Gig Workers Social Security and Welfare Fund’. The fund will receive monies from grants-in-aid by the state government, welfare cess levied upon aggregators, contributions by platform-based gig workers, sums by means of gift and grant or any other source. Welfare cess levied upon the aggregators ranges between 1-2% (as per legislation) of the value of transactions related to

¹⁴ Parul Kulshrestha, Akram M, Shubham Tigga, Santosh Singh, “4 states have gig worker laws. But have they really helped?” The Indian Express, 11th Jan, 2026 <<https://indianexpress.com/article/india/4-states-have-gig-worker-laws-but-have-they-really-helped-10466642/#:~:text=4%20states%20have%20gig%20worker,Rajasthan>> accessed on 2nd April, 2026

¹⁵ Bishen Jeswant & Luv Saggi, “Rajasthan passes Rajasthan Platform-Based Gig Workers (Registration and Welfare) Act, 2023”, Cyril Amarchand Mangaldas, 30th Aug, 2023 <https://industrialrelationsnews.ioe-emp.org/industrial-relations-and-labour-law-november-2023/news/article/rajasthan-introduced-platform-based-gig-workers-registration-and-welfare-act> accessed on 3rd Apr, 2026

platform gig workers.

3.1.3. DUTIES OF THE AGGREGATOR AND PENALTIES IMPOSED FOR NON-COMPLIANCE

The act imposes various duties upon the aggregators that includes to get register with the board within 30 days of the commencement of the act, making monthly deposits of welfare cess levied upon them, provide latest data to the board relating to gig workers engaged by them and informing them about any change in the data on a monthly basis.

Strict penalties are imposed upon the aggregator in case of non-compliance or non-performance of any duty. For first-time offenders, the penalty imposed may be up to rupees five lacs (Rs. 5,00,000/-) and for any subsequent contravention, the penalty may increase up to rupees fifty lacs (Rs. 50,00,000/-)¹⁶

3.2 KARNATAKA

The assembly of Karnataka passed 'The Karnataka Platform-based Gig Workers (Social Security and Welfare) Act, 2025', which came into force from 30th May, 2025. The bill establishes a specific framework for the well-being of gig workers working via digital platforms in the state, and at the same time, places legal requirements on platforms and aggregators who provide such services. The object and reason behind this act includes; offer procedures for resolving disputes; creating a board for the welfare of gig workers; establishing a welfare fund for gig workers; registering gig workers with the Board; and offering stable income and suitable working conditions to the online-based gig workers

3.2.1 WELFARE BOARD

The Act under Section 3 provides for the constitution of the Welfare Board. The labour minister of the state acts as its ex officio chairperson. The duties and powers of the board include -

- (i) ensure registration of platform-based gig workers and aggregators in the state, (ii) ensure protection of the rights of gig workers, (iii) ensure social security benefits reaches the worker, (iv) ensuring a grievance redressal mechanism for the workers, (v) recommending and advising

¹⁶ Section 17 of the Rajasthan Platform-Based Gig Workers (Registration and Welfare) Act, 2023

the government upon creation, evaluation, and execution on the schemes, (vi) ensure providing and keeping a record of data sought from the aggregators, etc.

3.2.2 FAIR AND INCLUSIVE CONTRACTS

S.12 of the Act imposes a duty upon aggregators to enter into fair contracts which must be clear and comprehensive and abide by the Act. The terms must adhere to reasonable terms of piece and/or time rate standards, including payments, deductions, incentives, and computations of all work completed.

In order to terminate a gig worker, the entire list of grounds must be included in the contractual agreement between the aggregator and the platform-based gig worker as per S.14. Further, to provide income security to the worker, the aggregator must make a payout to the workers at such a rate as per the contractual agreement. Any deductions in the payouts must be specifically explained with adequate reasons.

3.2.3 WELFARE FUND

S. 19 requires the establishment of a Welfare Fund for the gig workers. The fund will receive monies from grants-in-aid by the state or central government, welfare fees levied upon aggregators, contributions by platform-based gig workers, sums by means of gifts and grants, or any other source. Welfare fee levied upon the aggregators ranges between 1-5% (as per legislation) of the value of transactions related to platform gig workers.

3.2.4. PENALTIES IMPOSED

In case of default of payment of the welfare fee levied, the aggregator shall be liable to pay an interest of 12% along with the principal pending amount, calculable from the date of default till the date of realisation. An aggregator contravening with other provisions of this act may be imposed a penalty of up to rupees five thousand (Rs. 5,000/-) for the first default and up to rupees one lac (Rs. 1,00,0000/-) for subsequent disobedience¹⁷.

¹⁷ Section 23 of The Karnataka Platform-based Gig Workers (Social Security and Welfare) Act, 2025

4. INTERNATIONAL ANALYSIS

4.1. UNITED STATES

The USA has enacted state and federal laws that distinguish between employees and contract workers. States, such as New York, New Jersey and Illinois, have enacted their own state laws. However, there is no federal definition of gig workers nationwide.

4.1.1 DEPARTMENT OF LABOUR, 2024 BILL

The Department of Labour 2024 bill was passed during Biden's term, which aimed to clarify whether gig workers qualify as employees or independent contractors. This bill came into effect from 11 March 2024. It revolves around a 6-factor test for determining whether a worker qualifies as an employee or an independent contractor under the Fair Labour Standards Act. These factors included determining the degree of performance of the work relationship, the nature and degree of control of the employer, the extent to which the work performed is an integral part of the potential employer's business, etc. Being considered an employee offers various benefits to a worker. Such as medical benefits, minimum working hours, minimum wages, overtime allowance, etc. This rule created legal uncertainty about how to classify gig workers, leading to a series of lawsuits by major companies.

4.1.2 CONDEMNATION OF THE BILL

While the bill was widely criticised by aggregators, it received a mixed response from gig workers. The aggregators condemned this act as it would mean for them to pay minimum wages, provide minimum working hours, etc. Gig workers received benefits such as minimum working hours, wages, and health benefits, but were afraid that this would disable them from working flexibly at their ease, withholding of taxes, inability to work for different platforms at once, etc.

As noted by the DOL in the proposed rule, the DOL points out in the proposed rule that the 2024 Rule does not specify any core factors or further discuss the relative significance of these factors. Instead, it states that no single factor or segment of factors is compulsorily decisive and that the weight to assign each factor may depend on the specific facts and circumstances

of the relationship.¹⁸ As in 2025, five major cases contesting the 2024 Rule were still pending.¹⁹

4.1.3 DEVELOPMENT DURING TRUMP'S ERA

On May 1, 2025, Trump announced through the national 'Field Assistance Bulletin' that the 2024 employer, independent contractor rule will not be enforced any longer, and the government plans to implement it only after reconsidering it.²⁰ The 2024 Biden-era worker categorisation rule is now proposed to be repealed and replaced by a DOL rule on February 26, 2026. The 2021 Rule from President Trump's first term is mostly comparable to the proposed rule's "economic reality" criteria. This bill is currently undergoing a 60-day period during which the public comment period remains open till April 28th 2026.²¹

The test to ascertain whether an employee is economically dependent on their employer for employment or for their own business is by identifying and elucidating two "core factors", i.e. (i) the type and extent of control over the task (ii) the employee's potential for gain or loss depending on initiative and/or investment.²²

4.1.4. CALIFORNIAN ABC TEST

In 2019, the California Legislature passed AB5, which introduced an ABC test, one of the strictest laws across the country, to establish that workers qualify as independent workers. As of 2026, this ABC test is being used by 27 other US states, including Alaska, Illinois, Massachusetts, and New Jersey.²³ It imposed a three-factor test and laid the responsibility upon the employer to prove that a worker qualifies as an independent contractor; otherwise, the contrary will be the presumption in all cases.²⁴ This bill made it very hard for employers to

¹⁸ Andrew S. Rosenman, Ruth Zadikany and Kyla Sutter, "DOL Proposes New Independent Contractor Rule to Replace Biden-Era Regulation, Mayer Brown", 19th Mar, 2026
<<https://www.mayerbrown.com/en/insights/publications/2026/03/dol-proposes-new-independent-contractor-rule-to-replace-biden-era-regulation>> accessed on 2nd April, 2026

¹⁹ Ibid at 18

²⁰ Michael Gotzler, "DOL Hits Pause on Enforcement of Biden-Era Independent Contractor Rule, Suggests New or Changed Rule Forthcoming", Littler News, 2nd May, 2024 <<https://www.littler.com/news-analysis/asap/dol-hits-pause-enforcement-biden-era-independent-contractor-rule-suggests-new-or>> accessed on 2nd April, 2026

²¹ News Release, U.S. Department of Labour, "US Department of Labor proposes rule clarifying employee, independent contractor status under federal wage and hour laws", 26th Feb, 2026,
<<https://www.dol.gov/newsroom/releases/whd/whd20260226>> accessed on 2nd April, 2026.

²² Ibid at 20

²³ "Independent Contractor Laws by State 2026", World Population Review, Mar, 2026,
<<https://worldpopulationreview.com/state-rankings/independent-contractor-laws-by-state#states-that-use-the-abc-test>> accessed on 2nd April, 2026

²⁴ "ABC Test", Labor and Work Force Development Agency,
<<https://www.labor.ca.gov/employmentstatus/abctest/>> accessed on 3rd Apr, 2026

establish that the workers are not their employees. They contend that in an effort to maintain work flexibility, employees are reluctant to take on employee status. They assert that employee status would raise the price of their services, which would eventually result in job losses

4.1.5. PROP 22

In July 2024, the California Supreme Court upheld the Prop 22 referendum in the case of *Castellanos v. State of California*.²⁵ In response to AB5, gig services including Uber, Lyft, and Postmates called for California's Proposition 22, a direct ballot measure that requested voters to reverse the previous AB5²⁶ That would allow app-based workers engaged in transportation and delivery services to be tagged as 'independent contractors'. At the same time, being classed as independent contractors, gig workers would receive certain advantages, such as a guaranteed minimum income for time worked, health insurance, and the opportunity to file a discrimination lawsuit under California law. This proposal, after a public poll, finally became a law titled the Protect App-based Drivers and Services Act, 2020.

4.2. EUROPEAN UNION

The latest survey conducted by the European Commission to determine the number of platform workers among the member countries was estimated to be around 28 million people in the year 2022, and was expected to increase to 43 million by 2025.²⁷ To meet this new challenge, the European Commission issued a Platform Work Directive (2024/2831) in its journal, which came into effect from 1st Dec 2024.²⁸ This directive involves two key elements-

- i) It assists in ascertaining the accurate employment status of those employed by digital platforms.
- ii) It creates the first set of EU regulations regarding the use of algorithmic systems at work.²⁹

Member states have been provided a deadline until December 2nd, 2026, to incorporate this

²⁵ *Castellanos v. State of California* (2023) 89 Cal. App. 5th 131

²⁶ Sasha Lekach, "Future of Uber, Lyft on the Line in Fight to Keep Drivers from Becoming Employees", (Oct. 24, 2020), <<https://mashable.com/article/uber-lyft-california-prop-22-gigworkers/>> accessed on 3rd Apr, 2026

²⁷ "EU Rules on Platform Work", European Council, <<https://www.consilium.europa.eu/en/policies/platform-work-eu/>> accessed on 3rd Apr, 2026.

²⁸ Carlotta Ceretelli, "Decent Work in the Gig Economy: An Appraisal of the EU and ILO Regulation of Digital Labour Platforms", 3rd Feb, 2026, European Papers, <<https://www.europeanpapers.eu/e-journal/decent-work-gig-economy-appraisal-eu-ilo-regulation-digital-labour-platforms>> accessed on 3rd Apr, 2026

²⁹ *Ibid* at 27

directive into their private laws, including mentioning penalties for non-compliance.³⁰ In their legal systems, member states shall create a presumption of employment when evidence of control and direction is discovered according to the directive. It is upon the aggregator to rebut this presumption to prove the contrary. Thus, the burden of proof shifts upon the defendant rather than the complainant.

The directive further guarantees that employees are properly informed about the use of automated monitoring and decision-making systems concerning their hiring, working conditions, compensation, etc. Additionally, it curbs the use of automated monitoring or decision-making systems for the processing of certain personal data, such as biometric information or an individual's emotional or psychological state, of those working on the platform. Regarding automated decisions, human oversight and evaluation are also guaranteed, together with the right to an explanation and review of those judgments.³¹

4.3. SINGAPORE

After years of demand and agitation, Singapore introduced the Platform Workers Act, which came into effect from 1st January 2025. By establishing a more inclusive and equitable system for workers in non-traditional employment structures, the bill's introduction demonstrates Singapore's dedication to staying ahead of global labour trends. This bill imposes several obligations upon the platform operators and, at the same time, provides significant benefits to the platform workers. Section 5 of this act involves 4 factors to conclude whether a person qualifies as a platform worker. These factors are: a person is a delivery or rider/driver partner, has a working contract with a platform aggregator, works under the managerial control of the platform aggregator in return for some financial remuneration, and the worker must be in Singapore while providing the services.³²

Key benefits include retirement security for platform workers through CPF contributions by platform operators, recompense for work-related injuries, the right to form an association, and

³⁰ Patty Shapiro, "It's Official: The EU Platform Work Directive Is Here", 3rd Jan, 2025, Ogletree Deakins <<https://ogletree.com/insights-resources/blog-posts/its-official-the-eu-platform-work-directive-is-here/>> accessed on 3rd Apr, 2026

³¹ Ibid at 27

³²"Platform Workers", Ministry of Manpower, <<https://www.mom.gov.sg/employment-practices/platform-workers-act/platform-worker>> accessed on 3rd Apr, 2026

actively negotiate with the platform aggregators, etc.³³

5. CHALLENGES IN THE CODE³⁴

i) Implemented but not fully operational – Though the code came into force on 21st November, 2025, by an official notification, final operationalisation depends upon (i) further finalisation of central rules, (ii) framing of state rules. Many of these are still under draft or consultation stage, and there is no deadline for the implementation of such rules.

ii) Uncertain Language used- While both the central and state governments are mandated (by the use of the word ‘shall’) to frame policies for the welfare of unorganised workers. S. 114 of the code uses the word ‘may’, making it optional for the central government (no mention of state government in the section) to frame and notify social security schemes for the welfare of gig and platform workers.

iii) Vague categorical division- A person working outside an employer-employee relationship is a gig worker, while platform workers use an online platform to procure customers and provide services in exchange for remuneration. Inclusion of self-employed and home-based workers in the unorganised sector as unorganised workers creates a scenario of overlapping definitions, thus creating uncertainty as to the category in which a worker would fall.

For example, a taxi driver who operates independently through an online app like Uber falls into all of the above three categories as he works outside an employer-employee relationship, uses an online platform to procure customers, and at the same time is self-employed in an unorganised sector.³⁵

iv) Deficient Protection for the gig and platform workers- The existence of an employment relationship, while categorising an employee, differentiates them from gig and platform workers. The code confers various perks to an employee, which are missing for gig and

³³ Julia Yeo and Li Lian Eu, “Platform workers: a new era of labour protection in Singapore”, Squire Patton Boggs, 18th Oct, 2024, <<https://www.employmentlawworldview.com/platform-workers-a-new-era-of-labour-protection-in-singapore/>> accessed on 3rd Apr, 2026

³⁴ Code on Social Security, 2020

³⁵ Adv. Arpita Ranjan & Adv. Aman Yadava, “Challenges and Solutions for Implementing Social Security for Unorganised Workers in India: A Critical Analysis of the Code on Social Security, 2020”, IJLRA VOL II ISS 7, OCT, 2024 <<https://www.ijlra.com/public/details/challenges-and-solutions-for-implementing-social-security-for-unorganized-workers-in-india-a-critical-analysis-of-the-code-on-social-security-2020-authored-by-adv-arpita-ranjan-adv-aman-yadava>> accessed on 1st Apr, 2026

platform workers. It includes Employees Provident Fund, Employees' State Insurance and Gratuity benefits.

6. CONCLUSION

In conclusion, the gig economy's explosive growth is a reflection of a fundamental change in the nature of employment brought about by digital platforms and technical innovation. Gig labour has opened up previously unheard-of possibilities for flexibility, earning money, and engaging in the workforce, but it has also shown serious weaknesses in the current legal systems, especially with regard to social security, job security, and employment status recognition. Although the Code on Social Security, 2020, is a significant step towards recognising gig workers inside the legal framework, its implementation and substantive safeguards are still in their infancy.

India is still in the early phases of creating a strong and comprehensive regulatory framework for gig workers, according to a comparison with other jurisdictions. Although judicial interpretations have started to address these new issues, a thorough and consistent strategy is still missing. Policymakers must close current gaps by guaranteeing sufficient social security benefits, unambiguous classification criteria, and accountability of platform-based businesses as the gig economy continues to grow and make substantial economic contributions.

Finding a balance between promoting innovation and defending workers' rights is ultimately the key to the future. To guarantee that the gig economy grows in a sustainable and equitable manner and that gig workers have equal opportunities, protection, and dignity in the changing workplace, a well-organised legal and legislative framework must be implemented successfully.