GIG WORKERS AT THE CROSSROADS: PLATFORM WORKER CLASSIFICATION, EMERGING LEGAL FRAMEWORKS, AND THE GLOBAL BATTLE FOR WORKER RIGHTS

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ABSTRACT

The gig economy worldwide has radically transformed traditional principles in labor law. Millions of workers recruited by digital platforms such as ride-sharing drivers, food delivery couriers, and gig workers hired for completing tasks through freelance websites are legally positioned between independent contractors and employees and thus not covered under any protection that usually comes with the relationship of employment. In this article, there is a critical analysis of evolving trends on the classification of gig and platform workers in major jurisdictions including the US, EU, the UK, and India. While 42% of legal practitioners predict an increase in the issue of employee classification in the year 2026[1] and while contractor classifications are becoming stricter in almost all jurisdictions[2][3], the issue of whether gig workers can be classified as independent contractors or employees is now a key issue in labor law.

[1] Norton Rose Fulbright, 21st Annual Litigation Trends Survey (2026), cited in HRMorning, 10 Employment Law Risks HR Must Track in 2026 (Feb. 5, 2026), https://www.hrmorning.com/news/new-employment-law-trends-towatch/

[2] Ogletree Deakins, Ten Global Employment Law Updates to Watch in 2026, Nat'l L. Rev. (Mar. 28, 2026), https://natlawreview.com/article/ten-global-employment-law-updates-watch-2026

[3] NITI Aayog, India's Booming Gig and Platform Economy: Perspectives and Recommendations on the Future of Work 5 (June 2022), https://www.niti.gov.in/sites/default/files/2022-06/Report_Gig_Economy_28_June_final.pdf

I. INTRODUCTION

The rise of the platform economy represents a revolutionary phenomenon in modern labor markets. Platforms like Uber, Lyft, Ola, Swiggy, Zomato, Amazon Flex, and TaskRabbit have changed the nature of labor relations by replacing regular employment with temporary engagement, which comes with flexible terms and conditions. Globally, hundreds of millions of people earn money in platform jobs. According to the data provided by NITI Aayog, there were an estimated 7.7 million gig workers in India in 2020; however, the number is expected to grow up to 23.5 million by 2030[3].

Internationally, about 28.3 million people have digital labor platforms as employers; it is expected that there will be 43 million such workers in 2025[4].

The legal framework regulating this sector of the economy does not keep pace with its economic development. Platform companies regularly classify their workers as independent contractors who are supposed to be entrepreneurs enjoying liberty and flexibility rather than regular employees who should receive minimum wages, social security payments, paid vacations, protection against arbitrary dismissal, and other labor rights. Thus, there is a growing underclass of precarious workers whose condition remains invisible in the language of entrepreneurship.

This issue no longer has a marginal standing in the world of law. As per the 21st Annual Litigation Trends Survey conducted by Norton Rose Fulbright, “42% of corporate legal respondents expect litigation involving issues such as employee classification, gig economy workers, and contract law to increase” in 2026. Around the globe, the judiciary, legislatures, and regulators are grappling with the same basic question—when the platform controls the terms of the service, the prices for services rendered, assignments, ratings, and terminations of those engagements through an application and algorithms, can the person performing the service claim independence? It is argued herein that in most cases, the answer to that question is in the negative.

II. UNDERSTANDING THE CLASSIFICATION PROBLEM

[4] East Asia Forum, India's Gig Economy Is Growing Faster Than Its Protections (Apr. 9, 2026), https://eastasiaforum.org/2026/04/09/indias-gig-economy-is-growing-faster-than-its-protections/

A. The Binary Trap: Employee vs. Independent Contractor

Traditional labour law systems in many common law countries have historically relied on a dual classification system: one could be a worker and therefore have certain statutorily granted rights or be classified as an independent contractor and lack those protections. While a dichotomous approach to classifying employment has served well in many instances, it was designed to fail when dealing with the new forms of economic dependency that are enabled by platform work. Primarily, platform workers do not conduct themselves like independent enterprises; they do not set their prices, select customers, nor negotiate contract terms. Second, their ability to make a living from such platforms can be cut off arbitrarily by algorithms without any explanation or human oversight.

The tests that have been developed to classify employment in labour law, such as the common law control test, the FLSA's economic reality test in the USA, ABC test used in several states in the US, as well as the UK mutuality of obligation test, were constructed for a different age, in which traditional employer-employee relations dominated the economy. These classifications yield contradictory results when applied to platform work because of the inconsistencies produced across courts or regulatory agencies.

B. The Scale of the Problem

There are several implications of misclassification. If a person is misclassified as an independent contractor, the platform company avoids making employers' social security contributions, paying for unemployment insurance, contributing to workers' compensation, paying overtime, and avoiding any costs related to hiring employees. Workers, on the other hand, bear all the risks from economic instability without enjoying any safety that comes from being officially classified as employees. Studies suggest that misclassification leads to significant financial losses to the government in the USA as much as billions of dollars a year due to unpaid taxes and social security contributions[5].

However, there are also severe personal implications of misclassification. For instance, an employee in the food delivery sector can be deprived of their right to workers' compensation because of their status as an independent contractor. In another case, a taxi driver working sixty

[5] U.S. Dep't of Labor, Employee or Independent Contractor Classification Under the Fair Labor Standards Act, 89 Fed. Reg. 1638 (Jan. 10, 2024) (codified at 29 C.F.R. pt. 795).

hours a week is unable to claim their right to receive overtime pay due to their classification as an independent contractor. A platform worker experiencing algorithmic deactivation can be deprived of the protection against wrongful termination.

III. THE UNITED STATES: A FRACTURED LEGAL LANDSCAPE

A. The Federal Framework: The DOL's 2024 Economic Reality Test

The United States has long been applying the principle of the FLSA's "economic reality" test in determining worker classification. In early 2024, however, the Department of Labor issued new regulations under the FLSA that dramatically shifted this test. The revised test under the 2024 rule considers six factors on equal footing[6], namely:

(1) whether the worker has an opportunity for profit or loss depending on managerial skill[7].

(2) the respective investments made by the worker and potential employer.

(3) the permanency of the relationship between the worker and the potential employer.

(4) the control factor.

(5) the integration of the worker's service into the business of the potential employer; and

(6) the worker's skill and initiative.

As the Department of Labor rule assigns equal importance to all six factors and makes the economic dependence of the worker the central question, it has made the classification of platformbased firms' workforce difficult as independent contractors. The federal courts have endorsed the rule in 2025, finding that drivers for major ride-hailing companies are entitled to be considered as employees.

B. The California Experience: AB5, Proposition 22, and Castellanos

California is the central ground for the fight against gig worker classification within the US. In

[6] Remote.com, Gig Worker Classification: What Businesses Need to Know (June 24, 2025), https://remote.com/blog/contractor-management/gig-worker-classification.
[7] *eCFR :: 29 CFR 795.110 -- Economic reality test to determine economic ...*, https://www.ecfr.gov/current/title-29/subtitle-B/chapter-V/subchapter-B/part-795/section-795.110

2018, in the case of Dynamex Operations West, Inc. vs Superior Court of Los Angeles County[8], the California Supreme Court introduced the strict "ABC test" for determining whether a worker qualifies as an employee or independent contractor under California wage orders. According to the test, a worker will be considered an employee unless the hiring entity proves all three of the following: (A) the worker is not controlled or directed by the employer while performing the work;

(B) the worker does not perform the work that is outside the normal scope of the employer's business; and (C) the worker is normally self-employed in a trade, occupation, or business.

As one may guess, prong B makes it extremely hard for platform companies to prove the independence of their gig workers because a driver for a ride-hailing company obviously works within the sphere of the company's core business. The legislation passed in 2019, known as AB5, introduced the test into California labor and unemployment insurance laws, which was an unprecedented move with a possibility of reclassifying hundreds of thousands of gig workers.

The companies launched a landmark campaign worth $200 million in favor of Proposition 22, which would protect app-based transportation and delivery workers from being covered under AB5. Proposition 22 was successful in November 2020, allowing Uber, Lyft, DoorDash, and other similar companies to classify their workers as independent contractors, providing minimal safeguards in the form of a pay floor of 120 percent of the minimum wage for active driving hours, health care coverage for drivers working on average more than fifteen hours per week, and occupational accident insurance[9]. In July 2024, in Castellanos v. State of California[10], the California Supreme Court reaffirmed Proposition 22 as constitutional, maintaining the classification of workers as independent contractors by app-based companies but under the minimum protections provided under Proposition 22.

The ensuing California case study illustrates the extremely contentious nature of the political economy of gig workers' classifications. Legal institutions are never formulated in a vacuum but are always challenged by different parties that have vastly various levels of resources. The

[8] Dynamex Operations W., Inc. v. Superior Court, 4 Cal. 5th 903, 416 P.3d 1 (2018).
[9] Poster Compliance Ctr., Labor Law Compliance for Gig Workers: Employer Guide 2026 (Feb. 12, 2026), https://www.postercompliance.com/blog/labor-law-compliance-for-gig-workers-what-employers-need-to-know/
[10] Castellanos v. State of California, No. S274927 (Cal. July 25, 2024).

success of Proposition 22 is a source of fundamental questions about whether, when faced with massive corporate spending, democracy produces labor law that serves workers.

IV. THE EUROPEAN UNION: THE PLATFORM WORK DIRECTIVE

A. The Rebuttable Presumption of Employment

The European Union has taken the most comprehensive legislative approach to solving the classification problem by adopting the Platform Work Directive, officially known as Directive (EU) 2024/2831[11]. The Directive went into effect on December 1, 2024, with the deadline set for December 2, 2026, for member states to implement its regulations into domestic legislation[12]. Rebuttable presumption of employment serves as one of the central provisions of the Directive: if a platform meets at least two criteria of managerial control, including fixing the price of services, guiding the worker's presentation to the user, controlling performance with the help of technology, interfering with organizing work, or restricting the worker from developing his/her own client network, the relationship is considered employment, which creates a reverse burden of proof on the platform.

Furthermore, certain obligations related to algorithmic management are placed by the Directive. In particular, platforms have to disclose information regarding algorithms employed for monitoring and decision-making. All relevant decisions, such as deactivation, should be made under human control. At the same time, workers can request a human review of any algorithmic decisions affecting working conditions[13]. These requirements take into consideration one of the unique features of platform work – replacing managerial discretion with automation.

B. Significance and Limitations

Platform Work Directive marks the largest statute regarding the gig worker classification within a major jurisdiction. The key aspect of this directive is that it operates on a presumption of employment that represents an important doctrine innovation in comparison to requiring the

[11] Directive (EU) 2024/2831 of the European Parliament and of the Council of 13 November 2024 on Improving Working Conditions in Platform Work, 2024 O.J. (L 252) 1.
[12] Nat'l L. Rev., It is Official: EU Platform Work Directive Is Here (Dec. 2024), https://natlawreview.com/article/itsofficial-eu-platform-work-directive-here.
[13] New York State Bar Ass'n, Reimagining Workers' Rights in the Gig Economy: Bridging the Gap Between Independent Contractors and Employees, NYSBA (Aug. 5, 2025), https://nysba.org/reimagining-workers-rights-inthe-gig-economy/.

employee to prove the employment relationship as this is much easier for employers who enjoy greater informational power. The Directive places the burden on the platform companies, which can demonstrate the independence of the relationship.

However, there are still some weaknesses in this Directive. Firstly, since the implementation depends greatly on the existing law of each member state regarding rebutting this presumption, there will be different approaches across the European Union. Some member states have strong protection for employees, and the implementation will be more effective, but in others the situation may be quite opposite. The ultimate success of this initiative will depend on the willingness of member states.

V. THE UNITED KINGDOM: THE THREE-TIER SYSTEM AND ITS REFORM

A. The Existing Classification Framework

There are three classes of individuals who work under the UK regime - employees, workers, and the self-employed. The "workers" in between employees and the self-employed have some employee-like rights like the right to be paid minimum wage, right to protection of working time, and holiday pay without having access to all protections, such as the right not to be dismissed unfairly. In the UK Supreme Court judgement of Uber BV v. Aslam in 2021, it was ruled that the Uber drivers were "workers" under UK employment law since the drivers worked under the business of Uber and were subject to significant control by the company, despite the fact that the business was engaged in independent contracting.

In what is perhaps the most comprehensive package of employment reforms introduced in the past generation in the UK, the Employment Rights Act 2025 will bring in over thirty changes until the year 2027[14]. Some major provisions for gig workers include the introduction of Statutory Sick Pay from April 2026 onwards and guaranteeing rights to zero-hours workers in terms of actual work patterns[15]. In fact, the Government announced its plans for "worker status reform". This could lead to an overhaul of the current three-tier employment law regime where there will only be two categories - "worker" and the self-employed, among others.

[14] Employment Rights Act 2025 (UK); see also Lewis Silkin, Global Employment Law in 2026: Three Trends Set to Define the Year Ahead (Jan. 13, 2026), https://www.lewissilkin.com/insights/2026/01/13/global-employment-lawin-2026-three-trends-set-to-define-the-year-ahead.
[15] Connaught Law, Gig Economy Worker Rights UK 2025 | Legal Classification (Dec. 27, 2025), https://connaughtlaw.com/gig-economy-worker-rights-uk-guide/.

VI. INDIA: RECOGNITION WITHOUT ADEQUATE PROTECTION

A. The Four Labour Codes and Their Limitations

The Code on Social Security, 2020, defines gig workers as those who perform work outside the traditional employer-employee relationship and earn from such activities, and defines platform workers as those engaged through online platforms to provide specific services. The Code requires aggregators, a term that encompasses platform companies , to contribute between 1% and 2% of their annual turnover to a Social Security Fund for gig and platform workers, providing life and disability cover, accident insurance, and health and maternity benefits. However, the draft central rules condition access to these benefits on completing at least 90 days of engagement with a single aggregator annually, or 120 days across multiple platforms, a threshold that many gig workers, who work intermittently or across multiple platforms, may struggle to meet.

Critically, the Code on Social Security is the only one of the four Labour Codes that recognises gig and platform workers. The remaining three codes, covering wages, occupational safety, and industrial relations, exclude them entirely. This means that gig workers in India, despite their legislative recognition, remain outside the minimum wage framework, have no protection from arbitrary deactivation under industrial relations law, and enjoy no occupational health and safety protections. The Indian approach, then, is one of recognition without comprehensive protection, a significant first step, but one that falls considerably short of the rights framework that the scale and vulnerability of the gig workforce demand.

In contrast to the approaches adopted by Western jurisdictions, the Indian government's approach towards classifying gig workers has been rather different due to unique features of the labour market, massive size of the informal sector, and peculiarities of labour politics in the country. In particular, in November 2025, the Government of India brought four Labour Codes into force, consolidating twenty-nine separate laws into four codes concerning wages, social security, industrial relations, and occupational safety[16]. In respect to the platform economy, it meant introducing legal recognition of gig and platform workers for the first time in the history

[16] Code on Social Security, 2020, No. 36, Acts of Parliament, 2020 (India) § 2(35).

of Indian labour legislation[17].

According to the Code on Social Security, 2020, gig workers are defined as individuals who engage in work outside of regular employment relationships, earning from such activities, while platform workers are defined as persons hired via online platforms to deliver certain services. Furthermore, the code stipulates that aggregators, which refer to platform companies in this case, are required to make contributions between 1% and 2% of the company's annual turnover to the Social Security Fund for gig and platform workers, ensuring their life and disability cover, accident insurance, as well as health and maternity benefits. Still, according to the draft of the central rules, workers will be eligible for these benefits only if they have completed at least 90 days working for a particular aggregator per year or 120 days working in total for several platforms, which would create problems for many gig workers who work intermittently or on several platforms.

Importantly, the Code on Social Security is the only out of four Labour Codes where gig and platform workers are recognized, while the other three codes – wages, industrial relations, and occupational safety – do not apply to gig workers at all. Hence, gig workers in India are deprived of the right to claim minimum wage, protection from arbitrary deactivation under industrial relations regulations, as well as occupational safety and health regulations.

B. State-Level Initiatives

To close the regulatory gap created by the absence of an overarching central law, many states in India have taken the initiative to develop their own regulations for gig workers. The first state to implement dedicated legislation for gig workers is Rajasthan, with the enactment of the Rajasthan Platform Based Gig Workers (Registration and Welfare) Act, which was enacted in 2023[18]. Karnataka followed suit shortly, thereafter, enacting the Platform-Based Gig Workers' Social Security and Welfare Act, which was enacted in 2025. This Act establishes a Welfare Board for gig workers, creates a dedicated fund that is financed by a welfare fee paid by each transaction processed by the platforms, requires that the platforms implement a Payment and Welfare Fee Verification System, and require that the platforms provide written justifications

[17] Media Nama, Gig Workers Now Recognised Within India's Labour Codes (Nov. 24, 2025), https://www.medianama.com/2025/11/223-gig-workers-legally-recognised-indias-labour-codes/.
[18] Rajasthan Platform Based Gig Workers (Registration and Welfare) Act, 2023, No. 29 of 2023 (India).

for any deactivations along with a notice in advance of the deactivation occurring[19]. The Act also places obligations on the platforms to provide algorithmic transparency and to not discriminate against their gig workers. Additionally, Bihar and Jharkhand passed legislation providing social security to gig workers in August 2025, and Telangana introduced a draft gig workers' welfare bill during the same time frame[20].

The statutory regime governing Karnataka stands out because of the clarity of its provisions. As mentioned above, the statutory regime covers close to 400,000 gig workers and includes additional details regarding the contribution monitoring process, grievances redressal procedures, and protection measures for workers. The Indian state of Karnataka boasts an elaborate legislative scheme regulating the rights and duties of platform workers. The Karnataka law has even been described as a template for future regulations on the part of the central government. However, a piecemeal approach to platform worker regulation in India is not sufficient, since multiple jurisdictions and laws will create confusion in platform companies while workers in other states lacking particular legislation will be without protection.

C. Judicial Developments

Another interesting development is the fact that Indian courts have begun addressing the classification problem. In the All-India Gig Workers Union v. Uber India Systems Pvt. Ltd.[21], gig workers filed suits against Uber, claiming that it fails to provide a minimum wage and social security benefits to gig workers. This case marks the emergence of litigation concerning the classification issue in India, and it is only likely to grow in importance and frequency in the future.

VII. EMERGING GLOBAL THEMES IN WORKER CLASSIFICATION

A. Algorithmic Management and Transparency

An important feature of platform work, which was not captured by previous classification

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[19] Karnataka Platform-Based Gig Workers (Social Security and Welfare) Act, 2025 (India); Asian Labour Review, Beyond Welfare in India's Gig Sector (Sept. 25, 2025), https://labourreview.org/beyond-welfare/.

[20] PRS India, The Draft Telangana Gig and Platform Workers (Registration, Social Security, and Welfare) Bill, 2025 (Apr. 2025), https://prsindia.org/bills/states/the-draft-telangana-gig-and-platform-workersregistration-social-security-and-welfare-bill-2025

[21] All India Gig Workers Union v. Uber India Systems Pvt. Ltd. (pending before Delhi High Court); see also IJIRL, Gig Workers and the Labour Laws: The Struggle Between Flexibility and Protection (Dec. 2024), https://ijirl.com/wp-content/uploads/2024/12/GIG-WORKERS-AND-THE-LABOUR-LAWSTHE-STRUGGLE-BETWEEN-FLEXIBILITY-AND-PROTECTION.pdf

systems, relates to the way the management of the workers takes place via algorithmic management. Unlike the more traditional form of management carried out by human managers who oversee the worker's tasks and pay, algorithmic management involves algorithms controlling the assignment of tasks, setting of prices, monitoring the performance of workers, rating them according to customer ratings, and even deactivating workers' accounts. Algorithmic management is allpervasive and often hidden from the worker, who does not understand what makes his/her income fluctuate, what makes some orders unavailable for him/her, and why his/her account has been deactivated.

Some of the recent legal innovations have begun to tackle these problems. As a part of the EU Platform Work Directive, there is now a requirement for algorithmic transparency and human intervention in the automated decision-making process. There is also a similar provision in the law regulating gig work in Karnataka requiring platforms to provide workers with information about automated systems calculating fares, income levels, and customer reviews. It is evident that in order to protect the rights of workers in the platform economy, it is necessary to make information regarding algorithmic management transparent[22].

B. The Collective Dimension: Organising in the Gig Economy

The individual relation between an employee and employer has always been augmented and even partly replaced in certain jurisdictions by collective bargaining. The isolation of the workers on a digital platform who, individually and competitively, perform tasks assigned to them by an algorithm in the absence of a common workplace, creates difficulties for organising. Nonetheless, there is already an effort being made among gig workers globally; unions such as the All-India Gig Workers Union and the Independent Workers' Union of Great Britain and the delivery drivers and ride-hailing workers unions in other countries have become prominent figures within the political economy of platform labour[23].

There are now legislative initiatives in support of collective bargaining in favour of gig workers. For example, the "Riders' Law" or Real Decreto-ley 9/2021 in Spain provided a presumption of employment of delivery riders employed by digital platforms and importantly,

[22] Anantam IAS, Are Gig Workers a Part of India's Labour Data? (July 11, 2025), https://anantamias.com/are-gig-workers-a-part-of-indias-labour-data/

[23] Squire Patton Boggs, Hot Employment Law Topics for 2026: Global Snapshot (2026), https://www.squirepattonboggs.com/media/2q4hxvez/hot-employment-law-topics-for-2026.pdf

compelled the platform companies to reveal the algorithmic metrics of their operations.

C. The "Third Way": Intermediate Categories and Their Limitations

Other regimes have tried to solve the binary problem by creating intermediary classifications of work status. The British “worker” classification, the Canadian notion of “dependent contractors,” and California’s Proposition 22 are examples of an attempt to create an intermediary position that provides limited protection for those who are neither traditional employees nor independent contractors but leaves the burden of employment costs off platforms[24].

There are arguments against these intermediary categories coming from both sides. Labour unions criticize the creation of two classes of employees as a way to maintain economic discrimination against the most disadvantaged workers, leaving them with no real protection while offering platforms a safe harbour from liability for misclassification. On the other hand, business organizations claim that even intermediary classifications are too difficult to comply with for innovative platforms.

VIII. THE WAY FORWARD: TOWARDS A FUNCTIONAL CLASSIFICATION FRAMEWORK

Conclusions that can be drawn from this global survey on the development of gig worker classification are:

First, an approach based only on the existence of a contract does not seem sustainable anymore. In almost all jurisdictions that have approached this issue of the gig worker classification, the general consensus has been reached regarding the fact that it should be the economic reality of the relationship that determines whether a worker is considered an independent contractor or an employee. The fact that platforms decide prices, regulate access to work, monitor the activity of gig workers, and unilaterally terminate the gig work relationship indicates the exercise of control, even though no contractual language is used[25].

[24] Ius Laboris, Employment Law Trends 2026: What's Next for Employers (Mar. 2026), https://iuslaboris.com/serie/employment-law-trends-2026/

[25] M. Adil Yaqoob, Worker Classification in the Gig Economy: Legal Wins and Strategic Considerations for Employers, HR Defense (Dec. 5, 2024), https://www.hrdefenseblog.com/2024/12/workerclassification-in-the-gig-economy-legal-wins-and-strategic-considerations-for-employers/

Second, the burden of proof approach, which was established in the EU Platform Work Directive and the Spanish Riders' Law, seems to be more appropriate than the old approach when the burden of proof of the worker's employment status was placed on the gig worker himself/herself. Due to the obvious power imbalance between gig workers and platform companies, gig workers cannot gather information on their own.

Thirdly, an appropriate framework would have to consider the unique characteristics of algorithmic management in the context of platform work. The classification criteria for traditional employment, such as whether a worker is physically present at the worksite, whether there is personal supervision, and whether the schedule is fixed, would not fit the scenario of control being exerted from afar, all the time, and through technology. Algorithmic transparency, human intervention in important decisions, and the right to review and explain should be part of the framework for modern-day platform work[26].

Fourth, fragmentation of the regulatory regime at various levels, such as federal and state level in the United States, European Union member states, and even states in India, makes compliance challenging for international platform businesses and provides scope for regulatory arbitrage. It will be more beneficial for workers who are often hired by employers who span across different jurisdictions.

Lastly, fifthly, the experience of India highlights how precarious gig workers are within developing countries, where the majority of work is informal, social security arrangements are undeveloped, and the scale of operations for platform companies is huge in comparison with the workforce size. India’s Code on Social Security is a first step in this direction; however, since gig workers are left out from any wage or industrial safety or labour relations regulation by this code, they continue to remain vulnerable in terms of their livelihoods. There is an urgent need for a complete legislative framework for India that could be developed with reference to Karnataka.

IX. CONCLUSION

The question of whether or not gig workers should be considered independent contractors from a labour law perspective is not just a technical one. It is a question about whether costs and

[26] Library of Congress, Gig Economy: A Research Guide – Industry Laws and Regulations (updated Apr. 2026), https://guides.loc.gov/gig-economy/laws-regulations

risks of economic activities in the new economy will be borne by workers themselves or by platforms and the wider society.

The path that legal evolution takes is predictable but not necessarily smooth: from the EU Platform Work Directive to the UK Employment Rights Act 2025, from Karnataka's law on gig workers to the US Department of Labor's new economic reality test, governments around the world are gradually adopting laws recognizing the economic dependency of platform workers and affording them at least some of the protections that the employment relationship has traditionally afforded.

That, by 2026, 42% of legal cases will be about worker classification is not just a litigation prediction. It is an indicator of the discrepancy between the laws we have inherited and the economic environment we have created. Bridging this discrepancy and making sure that the workers who take us where we need to go are provided with the dignity and security that adequate labour protection brings is among the key tasks of modern labour law. The trend is moving in the right direction. The question is how fast.