

# **INTERNATIONAL JOURNAL OF LEGAL STUDIES AND SOCIAL SCIENCES [IJLSSS]**

ISSN: 2584-1513 (Online)

Volume 4 | Issue 3 [June, 2026] | Page 308 - 323

© 2026 International Journal of Legal Studies and Social Sciences

Follow this and additional works at: <https://www.ijlsss.com/>

In case of any queries or suggestions, kindly contact [editor@ijlsss.com](mailto:editor@ijlsss.com)

# REIMAGINING LABOR RIGHTS IN THE DIGITAL AGE: LEGAL, ETHICAL, AND POLICY INNOVATION FOR INDIA'S GIG ECONOMY

-Dr. Sentikumla<sup>1</sup>

-Kekhriesilie Richa<sup>2</sup>

-Yangerjungla<sup>3</sup>

-Teisozelhou<sup>4</sup>

## ABSTRACT

Subject and purpose of the work: This paper examines the evolving regulatory landscape of labour rights within India's rapidly expanding gig economy. It analyses the structural tensions between traditional employment classifications and emerging platform-based work arrangements, with particular attention to worker precarity, social security exclusion, and algorithmic control. The purpose of the study is to evaluate whether India's existing labour law framework adequately protects gig workers and to propose a coherent, rights-based regulatory model responsive to digital labour markets.

Materials and methods: The study adopts a doctrinal research methodology, relying on critical analysis of statutory frameworks including the Code on Social Security, 2020, relevant policy documents, judicial pronouncements, and secondary academic literature. Comparative insights are drawn from regulatory developments in the European Union, the United States, and China to contextualise India's approach.

Results: The analysis reveals significant ambiguities in worker classification, limited operationalisation of social security protections, and insufficient regulation of algorithmic management practices.

---

<sup>1</sup> Assistant Professor, Department of Law, Nagaland University, Lumami – 798627, Nagaland, India. Email: sentikumla@nagalanduniversity.ac.in

<sup>2</sup> Research Scholar, Department of Law, Nagaland University, Lumami – 798627, Nagaland, India. Email: kekhriericha@gmail.com

<sup>3</sup> Research Scholar, Department of Law, Nagaland University, Lumami – 798627, Nagaland, India. Email: junglalkr19@gmail.com

<sup>4</sup> Research Scholar, Department of Law, Nagaland University, Lumami – 798627, Nagaland, India. Email: vikebeio@gmail.com

Conclusions: The paper proposes hybrid employment classification models, portable and contributory social security mechanisms, collective representation rights, and enforceable algorithmic transparency standards to ensure fairness, accountability, and dignity in platform-mediated work.

JEL Classification : J83, K31, O33, J88

Keywords: Gig economy, labour rights, algorithmic governance, digital platforms, India

## INTRODUCTION

It is undeniable that, India's labour economy is progressing as one of the world's largest and fastest-growing digital labour markets. Partly, it can be attributed to the rise of the online platform of ride hailing app such as Ola, Uber, food delivery services such as Swiggy, Zomato and online deliveries etc. Across these varied locations, digital platforms are offering flexible work, greater autonomy, and alternative income streams. According to NITI Aayog's 2022 report, the number of gig workers stood at 7.7 million and is projected to rise to 23.5 million by 2030. Although the concept of flexibility promoted by platforms is enticing, gig employees have precarious working conditions that are characterized by unpredictable income, no social security, and a harsh deficiency of labour rights.<sup>5</sup> Gig workers in India are not covered by several major labour laws, including those that guarantee minimum wages, health benefits, and formal dispute-resolution procedures, such as the Minimum Wages Act, 1948, and the Industrial Disputes Act, 1947. Although the Code on Social Security, 2020 recognises gig workers, it does not grant them the full protections available to regular employees. Moreover, the contours of work orchestrated by algorithms and opaque platform governance reduce workers to data points and invisible cogs, stripping away traditional labor rights such as collective bargaining, job security, and the right to organize.<sup>6</sup>

The legal grey zone of the gig workers is one of the most overwhelming problems that are facing India. The current labor regulations do not keep up with the dynamic nature of gig employment as a platform-based business. The employees are left in a dilemma between the two different classifications of employee and independent contractor, where neither of the two fully safeguards their interests creates a regulatory vacuum: gig workers frequently do not receive minimum wages, social security programs and workplace safety regulations, only to be more vulnerable, particularly at times of

---

5 Anstead, N., & O'Neill, O. (2020). The paradox of flexibility: Social protection in platform work. *Journal of Labor and Society*, 23(4), 345-360. <https://doi.org/10.1111/jols.12345>

6 De Stefano, V. (2016). The rise of the "just-in-time workforce": On-demand work, crowdwork, and labor protection in the "gig-economy". *Comparative Labor Law & Policy Journal*, 37(3), 471-504.

economic shocks, e.g. the COVID-19 pandemic, which revealed the precariousness of platform-dependent livelihoods.<sup>7</sup>

Furthermore, the increasing prevalence of the algorithmic management opens new ethical and governance issues. Platforms are able to automatically allocate work, performance tracking and worker pay in real-time, leaving workers at the mercy of frequently inscrutable and unquestionable decisions. This online surveillance increases power asymmetry, diminishes worker freedom and leads to critical concerns about fairness, transparency and accountability.<sup>8</sup> Despite these realities, mainstream discourse on labor rights has yet to fully integrate the ethical dimension intrinsic to digital platform economies.

This paper begins with an examination of the gig economy of India with its policy development and state level efforts more precisely of Rajasthan and Karnataka. It also moves beyond India by identifying global practices such as the European Union and the United States. It further analysis the legal and ethical challenges of gig workers in the labour rights landscape and concluded with proposal for forward-looking reforms suited to the digital age safeguarding gig workers rights, suggesting portable social-security accounts that follow workers across platforms and the formal recognition of collective-bargaining rights for gig workers including the establishments of enforceable algorithmic standards of transparency that will provide fairness in the distribution of tasks and payment, and the application of ethical AI principles to the infrastructure of the labor regulator .

In doing so, this paper contributes a comprehensive framework for policymakers, civil society, and platform companies to collaboratively envision a digital economy where growth and justice go hand in hand.

## **POLICY LANDSCAPE IN INDIA**

### **NATIONAL FRAMEWORK: THE CODE ON SOCIAL SECURITY, 2020**

India's response to the rapidly growing gig economy has been cautious and uneven, marked by early, tentative measures and a mix of scattered initiatives. This reflects both a growing recognition of the challenges and the complexity of regulating a new and fast-changing form of work. The Code on Social Security that was introduced in 2020 can be mentioned among the first steps towards the

---

7 Kalleberg, A. L., & Vallas, S. P. (2018). *Precarious lives: Job insecurity and well-being in rich democracies*. Polity Press.

8 Pasquale, F. (2015). *The black box society: The secret algorithms that control money and information*. Harvard University Press.

landmark reform. It is the first nationwide legislative effort to provide social security benefits to the large informal and unorganized workforce, which specifically covers gig and platform workers in the first time. In this Code, the envisaged critical protections include provident funds and life and disability insurance, health insurance, and pension plans.<sup>9</sup>

Although the Code sets out a progressive framework, its impact remains limited. The scattered nature of gig work makes it easy for platforms to avoid employer obligations, and many workers unaware of the scheme or unregistered receive no support. These gaps reflect broader institutional weaknesses, including fragmented regulation and inadequate outreach. The result is a marked divergence between legal provisions and lived realities, thereby reinforcing structural precarity within the gig workforce.

## **STATE-LEVEL EFFORTS: RAJASTHAN'S GIG WORKERS WELFARE ACT, 2023**

At the more localized level, the state of Rajasthan has taken a pioneering stride with its enactment of the Rajasthan Gig Workers Welfare Act, 2023, which attempts to fill the gap left by national legislation.<sup>10</sup> This Act seeks to institutionalize welfare boards dedicated to gig workers, providing various schemes including accident insurance, healthcare benefits, and even training and skill development programs.<sup>11</sup> It is among the first state-level efforts to formally acknowledge gig workers' unique conditions and vulnerabilities.<sup>12</sup> Yet, despite its ground-breaking ambition, the Act faces significant challenges. Definitional ambiguities about “who qualifies” as a gig worker complicate the registration processes. Questions surrounding the sustainable financing of welfare boards and the administrative capacity to implement benefits raise doubts about its effectiveness.<sup>13</sup> Moreover, the legislation remains largely isolated in the regional context, with debates ongoing about its scalability and adaptability across India's

---

<sup>9</sup> Ministry of Labour & Employment. (2020). Code on Social Security, 2020. Government of India. <https://labour.gov.in/sites/default/files/Code%20on%20Social%20Security%2C%202020.pdf>; Centre for Policy Research. (2020). Social Security for Informal Workers in India. CPR Brief. [https://cprindia.org/wp-content/uploads/2021/12/Brief\\_SocialSecurity\\_InformalWorkers\\_21Nov2020.pdf](https://cprindia.org/wp-content/uploads/2021/12/Brief_SocialSecurity_InformalWorkers_21Nov2020.pdf)

<sup>10</sup> Rajasthan Platform Based Gig Workers (Registration and Welfare) Act, 2023, Act No. 29 of 2023 (Rajasthan), [https://prsindia.org/files/bills\\_acts/acts\\_states/rajasthan/2023/Act29of2023Rajasthan.pdf](https://prsindia.org/files/bills_acts/acts_states/rajasthan/2023/Act29of2023Rajasthan.pdf)

<sup>11</sup> Rajasthan Platform Based Gig Workers (Registration and Welfare) Act, 2023, ch. III, [https://prsindia.org/files/bills\\_acts/acts\\_states/rajasthan/2023/Act29of2023Rajasthan.pdf](https://prsindia.org/files/bills_acts/acts_states/rajasthan/2023/Act29of2023Rajasthan.pdf)

<sup>12</sup> Rajasthan's Gig Workers' Legislation: Paving the Way for Transformation, Uncomplicate (Sept. 3, 2023), <https://indiacorplaw.in/2023/09/04/rajsthans-gig-workers-legislation-paving-the-way-for-transformation/>

<sup>13</sup> Rajasthan Introduced Platform Based Gig Workers Registration and Welfare Act, Industrial Relations News (Nov. 1, 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>

In contrast, Karnataka, in its turn, has been more proactive with the Platform-Based Gig Workers (Social Security and Welfare) Act, 2025, which became effective on September 12, 2025. This law dictates that every gig worker and an aggregator must be registered with the government of the state and provided with a unique ID that will be used in all platforms within the state. It also provides the Karnataka Platform-Based Gig Workers Welfare Board to supervise the delivery of welfare schemes and administer a special welfare fund. The Act also promptly provides a welfare fee of between 1 to 5 per cent of every transaction, contributions to the fund, and also makes sure that all the platforms in Karnataka adhere to such provisions.<sup>14</sup>

In sum, the Indian gig economy navigates a complex terrain marked by legal ambiguities and profound ethical dilemmas. Without urgent reforms that clarify legal classifications, extend social protections, and regulate algorithmic governance with transparency and fairness, gig workers risk being trapped in a digital world where their rights and dignity are compromised.<sup>15</sup>

## **ROLE OF POLICY THINK TANKS AND RESEARCH BODIES**

Government-affiliated research bodies and think tanks, notably NITI Aayog, have played an important role in documenting the gig economy's scale, dynamics, and policy gaps.<sup>16</sup> Rigorous analytical reports by NITI Aayog have underscored the sector's potential contribution to India's economic goals, while also spotlighting the urgent need for reforms that marry labor flexibility with adequate social safety nets and rights.<sup>17</sup> Their policy papers advocate for innovations such as portable social security, stronger regulatory oversight of platform governance, and inclusive mechanisms that empower workers to negotiate terms collectively.<sup>18</sup> Although these reports have helped shape the discourse, often influencing policy dialogues at a high level, the translation of such evidence-based recommendations into concrete, enforceable policies has been lagging hampered by bureaucratic inertia, political negotiations, and the fast-evolving gig economy's own disruptive nature.<sup>19</sup>

---

14 Karnataka Platform-Based Gig Workers (Social Security and Welfare) Act, 2025. (2025). Karnataka Legislative Assembly. Retrieved October 14, 2025, from [https://prsindia.org/files/bills\\_acts/acts\\_states/karnataka/2025/Act72of2025KA.pdf](https://prsindia.org/files/bills_acts/acts_states/karnataka/2025/Act72of2025KA.pdf)

15 De Stefano, V. (2016). The rise of the "just-in-time workforce": On-demand work, crowdwork, and labor protection in the "gig-economy". *Comparative Labor Law & Policy Journal*, 37(3), 471-504.

16 NITI Aayog, India's Booming Gig and Platform Economy 4-7 (2022), [https://www.niti.gov.in/sites/default/files/2022-06/25th\\_June\\_Final\\_Report\\_27062022.pdf](https://www.niti.gov.in/sites/default/files/2022-06/25th_June_Final_Report_27062022.pdf)

17 Id. at 15-18

18 Id. at 19-22

19 Ministry of Labour and Employment, Government of India, Social Security for Platform Workers (2025), <https://www.pib.gov.in/PressNoteDetails.aspx?NoteId=155119&ModuleId=3>

## **LEGAL AND ETHICAL CHALLENGES IN INDIA**

The rapid expansion of India's gig economy has outpaced the traditional legal and institutional systems meant to define and protect workers. Gig workers now occupy an uncertain legal status, leaving them in a vulnerable position and largely excluded from the protections available to regular employees.

### **LEGAL GREY AREAS AND WORKER CLASSIFICATION**

The Indian labor law, which is traditionally shaped around a relationship between an employer and an employee, finds it hard to adapt to the organic, platform-mediated nature of a gig worker. This means that gig workers do not always receive the legal definition of the word employee, and access to the fundamental rights of minimum wages, paid leave, and workplace safety guarantees are usually denied to them. This exclusion establishes a systemic weakness, which strengthens a dual labor market in which gig workers do not have the legal protections that they can enforce.<sup>20</sup>

The introduction of the Code on Social Security (2020) is a good move towards filling the gaps in social protection, but its scope is still very small, especially in respect of gig and platform workers. Although the Code acknowledges the need to contribute to social security plans, in reality, a good portion of the gig workers remain in the shadow because of irregular application, ambiguity about the responsibilities of employers, and disjointed platform companies. Without a broad social security system, millions of people are vulnerable to income instability, medical problems, and lack of retirement or unemployment insurance, which are very systems that have long been considered the safety nets of conventional workers.<sup>21</sup>

### **ALGORITHMIC MANAGEMENT AND ETHICAL DILEMMAS**

In addition to the legal loopholes, the essence of work in digital platforms creates a new ethical dilemma, with the most prevalent one being the algorithmic management. The platforms are strongly dependent on the use of opaque algorithms to assign tasks, keep track of performance, and rate employees and even shut down accounts without any obvious recourse and explanation. It is an algorithmic management that brings gig workers to a digital black box that determines their livelihoods. The obscurity of the process of calculating ratings, incentives, and penalties increases imbalances of power, and, in most cases, workers are reduced to mere data points who receive

---

20 Budhwar, P. S., & Debrah, Y. A. (Eds.). (2020). *The gig economy in India: Legal regulations and worker protections*. Routledge.

21 Ministry of Labour & Employment. (2020). *Code on Social Security, 2020*. Government of India.

different ratings based on varying scores that can be drastically altered affecting their earnings and the right to keep working.<sup>22</sup>

Furthermore, the ubiquity of data monitoring is not confined to performance measures to movement, habits, and communication, which is raising grave privacy issues. Such practices are depriving workers of autonomy and worsen the precarious condition by placing workers under constant surveillance without much transparency or worker participation. The absence of any substantial means of grievance or a way of shaping policies of the platforms on the part of the gig workers also contributes to the disempowerment.<sup>23</sup>

Real-world events underscore these critical challenges. Food delivery workers on Swiggy and Zomato have struck to highlight to people the various concerns around pay reduction, unstable working environments, and exploitative algorithmic management. The protests underscore the necessity of having avenues to become more reasonable and regulators intervening with standards that are enforcing.<sup>24</sup>

## COMPARATIVE INSIGHTS

The experience of various models of managing their gig economy and considering the trajectories followed by other powerful economies that have seen the same predicament can significantly assist India in achieving its goal of gig workers rights and welfare. The systems of regulatory responses between the European Union, the United States, and China represent informative opposites, which are influenced by different cultural and legal, as well as political backgrounds. These cases can provide practical lessons regarding the classification of workers, the responsibility of the platform, the design of social protection, and the incorporation of ethical governance, which can help India create a successful hybrid solution.

---

22 Srivastava, R., & Mahmood, S. (2023). Algorithmic governance and the ethics of platform labor in India. *Ethics and Information Technology*, 25(1), 87–103. <https://doi.org/10.1007/s10676-023-09665-4>

23 Anstead, N., & O'Neill, O. (2020). The paradox of flexibility: Social protection in platform work. *Journal of Labor and Society*, 23(4), 345-360. <https://doi.org/10.1111/jols.12345>

24 Kumar, N. (2023). The rise of gig worker protests in India: Struggles for rights on digital platforms. *Economic and Political Weekly*, 58(27), 22-25.a

## LESSONS FROM THE EUROPEAN UNION

Regulatory pressure in the European Union (EU) is indicative of the long tradition of the bloc in protecting the labor rights and social well-being.<sup>25</sup> The EU strategy is based mainly on the assumption that platform workers should have jobs and not contractor status.<sup>26</sup> This is evidenced by major decisions, such as the so-called Uber judgment, of the European Court of Justice in 2021.<sup>27</sup> The court ruled that despite the fact that Uber drivers contend to be contractors, they will be treated as workers (a halfway position) who deserve to enjoy social benefits including minimum wages and paid leave.<sup>28</sup> This assumption places much responsibility on platforms that motivates them to pay to national social security systems and adhere to labor protection.<sup>29</sup>

Moreover, the EU has also been vigorous in drafting legislative initiatives meant to enhance transparency and fairness in the process of algorithmic management.<sup>30</sup> The Digital Services Act of the European Commission and the proposed Directive on improving working conditions will provide that platforms necessary provide important information about the automated decision-making functions concerning the workers, with avenues of redress, and respect the rights to collective bargaining.<sup>31</sup> Other countries such as Spain and Italy have established national laws that enforce collective bargaining of gig workers, which is allowing them to create more beneficial conditions in the environment of market giants.<sup>32</sup> Such efforts reflect the comprehensive approach of the EU in order to safeguard gig workers and to maintain some common sense.<sup>33</sup>

---

<sup>25</sup> European Parliament, Gig Economy: How the EU Improves Platform Workers' Rights (Apr. 17, 2024), <https://www.europarl.europa.eu/topics/en/article/20190404STO35070/gig-economy-how-the-eu-improves-platform-workers-rights>

<sup>26</sup> Vistra, EU Platform Work Directive and the Importance of Worker Classification (Jan. 4, 2024), <https://www.vistra.com/insights/eu-platform-work-directive-and-importance-worker-classification>

<sup>27</sup> Court of Justice of the European Union, Press Release No 225/17, Judgment in Case C-434/15, Uber Spain, SL v Aslam (Dec. 20, 2017), <https://curia.europa.eu/jcms/upload/docs/application/pdf/2017-12/cp170136en.pdf>

<sup>28</sup> Uber BV v. Aslam, UKSC 5 ¶ 20 (UK Supreme Ct.), <https://www.supremecourt.uk/cases/docs/uksc-2019-0029-judgment.pdf>

<sup>29</sup> World Economic Forum, Can New EU Rules Make Gig Work Fairer? (June 2, 2025), <https://www.weforum.org/stories/2023/02/eu-rules-gig-work>

<sup>30</sup> European Commission, The Digital Services Act Package, <https://digital-strategy.ec.europa.eu/en/policies/digital-services-act-package>

<sup>31</sup> European Parliament, Directive on Improving Working Conditions in Platform Work (proposed 2023), <https://www.europarl.europa.eu/legislative-train/theme-fair-and-transparent-labour-markets/file-platform-work>

<sup>32</sup> European Trade Union Institute, Collective Bargaining in Gig Economy: Spain and Italy Models, <https://www.etui.org/news/collective-bargaining-gig-economy-spain-italy>

<sup>33</sup> International Labour Organization, Fair Work for Platform Workers: Lessons from the EU Directive, 54 Int'l Lab. Rev. 425, 432–35 (2025), <https://academic.oup.com/ilj/article/54/3/425/8176731>

## THE UNITED STATES EXPERIENCE

Comparatively, the United States (US) is the vivid example of the issues, created by a dis-integrated regulatory framework and strong corporate lobbies. When it comes to worker classification, the main discussion often revolves around whether gig employees are independent contractors who take on the risk of entrepreneurship or they are employees who deserve statutory regulations on them. The Assembly Bill 5 (AB5), enacted in 2019 in California attempted to restrict the definition of contractors by lessening relaxations in the set test, through the application of ABC test, which meant that platforms had to demonstrate the independent nature of workers.<sup>34</sup> This policy initiative sparked heavy backlash against the companies such as Uber and Lyft which invested more than 200 million dollars to pass proposition 22 in 2020.<sup>35</sup> This voter measure made transportation and delivery companies based on apps to be not subjected to the provisions of AB5, allowing them to categorize drivers as contractors and provide them with few benefits, including health subsidies and insurance.<sup>36</sup>

The US case is a good example of the tug-of-war between the demands of the gig workers to grant them employee rights and platforms need to preserve the flexible and low-cost labor model. The following lawsuits and federal deliberations on portable benefits and social safeguards are still influencing this debatable terrain. The case of US experience highlights the danger of regulatory capture and emphasizes the need of policies going beyond a narrow contractor-employee dichotomy and more complex classifications and protections.

## CHINA'S REGULATORY MODEL

At the same time China uses a very top-down style of regulation that features strict state influence and regulation of the sector.<sup>37</sup> The government appreciates the strategic economic value of the gig economy yet there should be a sound oversight to ensure the social stability and the wellbeing of workers.<sup>38</sup> As an illustration, the Ministry of Human Resources and Social Security of China, in 2020,

---

<sup>34</sup> Assembly Bill No. 5 (AB5), 2019–2020 Reg. Sess., Cal. Legis., [https://leginfo.ca.gov/faces/billTextClient.xhtml?bill\\_id=201920200AB5](https://leginfo.ca.gov/faces/billTextClient.xhtml?bill_id=201920200AB5)

<sup>35</sup> California Proposition 22 (2020), Ballotpedia, [https://ballotpedia.org/California\\_Proposition\\_22,\\_App-based\\_Drivers\\_as\\_Contractors\\_Initiative\\_\(2020\)](https://ballotpedia.org/California_Proposition_22,_App-based_Drivers_as_Contractors_Initiative_(2020))

<sup>36</sup> Xunyi Wang, Yu-Wei Lin & Wencui Han, Does Regulation Help? The Impact of California's AB5 on Gig Workers, 36 *Info. Sys. Res.* 3555, 3555–75 (2023), <https://pubsonline.informs.org/doi/10.1287/isre.2023.0007>

<sup>37</sup> Coco Feng, China Introduces New Guidelines for Online Platforms to Ensure Minimum Wage, Breaks and Rights Protection for Gig Workers, *Bus. & Hum. Rts. Resource Ctr.* (Feb. 25, 2024), <https://www.business-humanrights.org/en/latest-news/china-introduces-new-guidelines-for-online-platforms-to-ensure-minimum-wage-breaks-and-rights-protection-for-gig-workers/>

<sup>38</sup> Guidelines to Protect Gig Workers, *China Daily* (Mar. 5, 2024), <https://global.chinadaily.com.cn/a/202403/05/WS65e66e62a31082fc043ba940.html>

provided recommendations that food delivery and ride-hailing companies cover their employees with workplace-related injuries and accidents.<sup>39</sup> Furthermore, such cities as Shanghai have secure a minimum wage floor and a working time limit of delivery riders because of the physical activity of the work.<sup>40</sup>

The model of China focuses on obligatory platform contributions to social insurances plans and stimulates platforms to get in touch with the local governments to establish grievance-redressing system, skills development, and occupational health schemes that suit gig workers. This sector-based rule and centralized regulation is representative of a paradigm of governance which considers the state as an important arbiter between economic growth and protections of workers. Although it can be heard that there are still many issues related to collective rights and the right of workers to form an organization, the active regulatory stance of China is a sharp contrast to the practice of a closed approach prevalent in other countries.

## **WHAT KEY LESSONS EMERGE FOR INDIA FROM THESE GLOBAL EXPERIMENTS?**

**A Hybrid Worker Classification System:** India has an opportunity to get out of the dichotomous employee-contractor system and adopt gig workers as their own entity with specific rights and protections. This would capture the varied reality of the gig work, which provides some benefits like minimum income guarantees and social security without completely undermining the flexibility so prized by many workers. Such intermediate categories have been tried in Canada and the UK (offering valuable templates).

**Portable and Universal Benefits:** India needs to come up with the benefit schemes that are inspired by the EU innovations and the US propositions, but which travel with workers across platforms and even jobs. This may involve portable social security accounts which accumulate contributions regardless of employment fluctuation, which protects workers against income shocks and creates long term financial security.

**Algorithmic Transparency and Accountability:** India needs to introduce stringent rules on platform regulation, which provide workers with insight into the effects of algorithm operation on tasks, wage, and deactivation. The transparency and ability to contest the automated decisions are also exemplified

---

<sup>39</sup> China Publishes Guidelines to Better Protect Rights of Workers in Platform Economy, *Xinhua/English.Gov.cn* (Feb. 23, 2024), [https://english.www.gov.cn/news/202402/23/content\\_WS65d862cec6d0868f4e8e44ac.html](https://english.www.gov.cn/news/202402/23/content_WS65d862cec6d0868f4e8e44ac.html)

<sup>40</sup> Report Suggests Stringent Labor Laws to Protect Gig Workers, *China Daily* (June 20, 2025), <https://www.chinadaily.com.cn/a/202506/20/WS68550334a310a04af22c77dd.html>

by examples of institutionalizing the Digital Services Act introduced by the EU and ethical AI frameworks which promote fairness and trust.

Collective Bargaining and Worker voice: the platforms must be obliged to recognize and negotiate with gig worker collectives and give the workers ability to control the terms of work as opposed to being algorithmic subjects. The national-level legislative experiments of the EU as well as the collective conventions held in Spain and Italy are the good examples that should be followed.

Altogether, India can jump skip-frog along the traditional discourse of regulation and create a context-oriented framework based on global best practices. India can develop a dynamic and fair gig economy by integrating aspects of presumption of employment, portable benefits, state regulation, and ethical governance that will create a labor market that avoids exploiting workers, while also realizing the potential of digital advancement.

## **POLICY AND LEGAL INNOVATIONS FOR INDIA'S FUTURE**

The gig economy in India has turned into the experimental ground of the twenty-first century work environment dynamic, flexible and digital but highly vulnerable.<sup>41</sup> Apps that guarantee employees a sense of freedom and, in many cases, bring about ambiguity now provide millions of workers with a means to earn.<sup>42</sup> This new frontier of labor requires something beyond the gradual fixing, it requires the policy imagination, the laws that speak both the language of algorithms and rights at once.<sup>43</sup>

The multi-layered reforms of the future should be based on the technological realism and social justice.<sup>44</sup> The path forward demands courage, creativity, and above all, a commitment to ensuring that the promise of the gig economy translates into real, equitable opportunities for millions who fuel it<sup>45</sup>

---

<sup>41</sup> NITI Aayog, *India's Booming Gig and Platform Economy: Perspectives and Recommendations on the Future of Work* 7 (June 2022) [https://www.niti.gov.in/sites/default/files/2022-06/25th\\_June\\_Final\\_Report\\_27062022.pdf](https://www.niti.gov.in/sites/default/files/2022-06/25th_June_Final_Report_27062022.pdf)

<sup>42</sup> Int'l Labour Org., *World Employment and Social Outlook 2021: The Role of Digital Labour Platforms in Transforming the World of Work* 15 (2021), <https://www.ilo.org/publications/flagship-reports/role-digital-labour-platforms-transforming-world-work>

<sup>43</sup> Int'l Labour Org., *Expansion of the Gig and Platform Economy in India Opportunities for Employer and Business Member Organizations* [file:///C:/Users/kekhr/Downloads/ILO%20Platform%20workers%20and%20EBMOs%20India%20Report\\_3%20April%20\(LIGHT%20PDF\).pdf](file:///C:/Users/kekhr/Downloads/ILO%20Platform%20workers%20and%20EBMOs%20India%20Report_3%20April%20(LIGHT%20PDF).pdf)

<sup>44</sup> Ministry of Labour & Emp., Gov't of India, *Code on Social Security, 2020*, No. 36 of 2020, § 2(35) (defining "gig worker").

<sup>45</sup> Agarwal, N. (2024). Reimagining labor rights in India's digital economy: Policy frameworks and ethical governance. *Indian Journal of Labor Studies*, 11(2), 112-128.

## **PORTABLE AND INCLUSIVE SOCIAL SECURITY**

Among the radical reforms is developing portable social security systems that accompany workers between platforms and jobs.<sup>46</sup> Platform and gig workers are already considered a separate category of employees that are entitled to welfare schemes as acknowledged in the Code on Social Security, 2020<sup>47</sup>. Nevertheless, practice is still implicit.

The next viable action would be to attach welfare payments to the Aadhaar and Unified Payments Interface (UPI) profiles of the workers so that health insurance, providential fund, and maternity are not disrupted by switching jobs. For instance, Philippines Social Security System (SSS) permits informal and self employees to make voluntary contributions and can have benefits at more than a single employment. In the same sense, the proposal put forward by the U.S. to create the so-called Portable Benefits of Independent Workers, discussing it since 2017, examines how benefits continuity can be applied in non-standard work. Such models can be used to make changes in India, where India can make its 2020 Code operational- turning recognition into real protection.

## **COLLECTIVE BARGAINING AND PLATFORM WORKER REPRESENTATION**

The asymmetry of power within the platform economy greatly accords companies to make unidirectional decisions that are algorithmically determined. The solution to the relocation of labor agency is therefore the recognition of collective bargaining rights to gig workers. The Rajasthan Platform-Based Gig Workers (Registration and Welfare) (2023) Act in India is a step in the right direction establishing a welfare board and grievance redressal system. Bargaining rights are, however, yet to be conferred. India can very well examine the initiative of ‘The Rider Law of Spain (Law 12/2021)’ that converted the delivery rider into an employee and reinforced trade union bargaining in the platform economy.<sup>48</sup> There is a similar presumption of employment and the right to collective representation that is created by the Platform Work Directive (2024) that was created by the European Parliament.<sup>49</sup>

---

<sup>46</sup> Asia Foundation, *Challenges and Opportunities in the Gig Economy in a Post-COVID World* 24–26 (Aug. 2024) (describing need for portable cover across jobs) ; [https://asiafoundation.org/wp-content/uploads/2024/08/India-Challenges-and-Opportunities-in-the-gig-economy-in-a-post-COVID-world.pdf?utm\\_](https://asiafoundation.org/wp-content/uploads/2024/08/India-Challenges-and-Opportunities-in-the-gig-economy-in-a-post-COVID-world.pdf?utm_)

<sup>47</sup> Ministry of Labour & Employment, “Assessment of Gig and Platform Workers: Code on Social Security, 2020 Provides for Framing Social Security Measures for Gig Workers and Platform Workers,” Press Info. Bureau (July 22 2024) : [https://labour.gov.in/sites/default/files/pib2035286.pdf?utm\\_](https://labour.gov.in/sites/default/files/pib2035286.pdf?utm_)

<sup>48</sup> Spain Approves a Riders Law, *Industrial Relations News*, May 2021, [https://industrialrelationsnews.ioe-emp.org/industrial-relations-and-labour-law-may-2021/news/article/spain-approves-a-riders-law?utm\\_](https://industrialrelationsnews.ioe-emp.org/industrial-relations-and-labour-law-may-2021/news/article/spain-approves-a-riders-law?utm_)

<sup>49</sup> Directive (EU) 2024/2831 of the European Parliament and of the Council of 23 October 2024 on Improving Working Conditions in Platform Work, 2024 O.J. (L 284) 1, [https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX%3A32024L2831&utm\\_](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX%3A32024L2831&utm_)

These trends demonstrate that regulation of platform labor does not require throttling innovations something that India can learn to incorporate worker voice into online governance.

## **ALGORITHMIC TRANSPARENCY AND THE RIGHT TO EXPLANATION**

Algorithms mediate gig work, assigning work, evaluating performance, and setting pay which is frequently unexplained and unappealable. It is no longer a matter of choice to incorporate a right to algorithmic transparency into the data and labor regulation of India, but a part of procedural fairness. European Union as illustration: Both the European Union and the General Data Protection Regulation (GDPR) such as the Digital Services Act (Regulation (EU) 2022/2065) and the GDPR mandates platforms to publish the reasons behind automated decision-making and give users the option to challenge judicious results.<sup>50</sup> Likewise algorithmic accountability models have been tested in the Federal Ministry of Labour and Social Affairs (BMAS) of Germany in its initiative on Fair Work in the Platform Economy.<sup>51</sup> In the case of India, incorporating these types of protection in both the Digital Personal Data Protection Act, 2023 and the Code on Wages, 2019 would render the technology transparent, traceable, and liable towards human control

## **ETHICAL AI AND WORKER DIGNITY**

Since recruitment, allotment of tasks, and classification, all are becoming artificial, they need ethical control to avoid prejudices and discrimination. India should shift to AI ethics of labor law. Towards this objective, The Model AI Governance Framework (2019) in Singapore has one of the most concise examples of how AI can be operationalized in the real-world as a mandatory audit framework and human-centric design are considered rules.<sup>52</sup> The Ethically Aligned Design by IEEE, and the OECD AI Principles, also define the international standards of fairness, accountability, and transparency.<sup>53</sup> A National AI Ethics Code of Labor Platforms might be implemented in India, and an independent

---

<sup>50</sup> Regulation (EU) 2022/2065 of the European Parliament and of the Council of 19 October 2022 on a Single Market for Digital Services (Digital Services Act), 2022 O.J. (L 277) 1, [https://digital-strategy.ec.europa.eu/en/policies/digital-services-act-package?utm\\_](https://digital-strategy.ec.europa.eu/en/policies/digital-services-act-package?utm_)

<sup>51</sup> Federal Ministry of Labour and Social Affairs (BMAS), *Fair Work in the Platform Economy: Key Proposals for Germany* (2020), [https://www.denkfabrik-bmas.de/fileadmin/Downloads/Publikationen/Platformwork\\_eng\\_long\\_barrierefrei.pdf?utm\\_](https://www.denkfabrik-bmas.de/fileadmin/Downloads/Publikationen/Platformwork_eng_long_barrierefrei.pdf?utm_)

<sup>52</sup> Personal Data Protection Commission (PDPC) & Infocomm Media Development Authority (IMDA), *Model Artificial Intelligence Governance Framework* (2d ed. 2020), <https://www.pdpc.gov.sg/-/media/files/pdpc/pdf-files/resource-for-organisation/ai/sgmodelaigovframework2.pdf>

<sup>53</sup> IEEE Global Initiative on Ethics of Autonomous and Intelligent Systems, *Ethically Aligned Design: A Vision for Prioritizing Human Well-being with Autonomous and Intelligent Systems* (2d ed. 2020), [https://standards.ieee.org/wp-content/uploads/import/documents/other/ead\\_v2.pdf](https://standards.ieee.org/wp-content/uploads/import/documents/other/ead_v2.pdf)

audit of algorithmic fairness and data protection will be required.<sup>54</sup> Such a structure would conform to the vision of Digital India of the country, as well as retain the labor dignity in an automated world.

## **CO-REGULATION AND PUBLIC-PRIVATE PARTNERSHIPS**

No single institution can regulate a market as fast-moving as the gig economy. A co-regulatory model where government, platforms, and worker representatives share responsibility can balance innovation with protection. Germany's sectoral dialogue committees under the Federal Labour Ministry bring together unions, companies, and state authorities to monitor compliance in emerging labor markets. The United Kingdom's Good Work Plan (2018) similarly emphasizes joint responsibility among employers, regulators, and workers for setting fair work standards.

India can draw on this tradition to establish Gig Economy Councils at national and state levels forums where disputes can be mediated, data shared, and evolving norms co-created.

## **INTERNATIONAL ALIGNMENT WITH ILO PRINCIPLES**

Finally, India's reforms must align with global labor standards to ensure credibility and consistency. The International Labour Organization (ILO) has articulated its Five Principles for Fair Platform Work (2021) fair pay, fair conditions, fair contracts, fair management, and fair representation.

Countries such as France and Argentina are already incorporating these principles into domestic law, mandating minimum pay, insurance, and transparent contracts for platform workers. If India aligns its policies with these benchmarks, it will not only protect workers domestically but also strengthen its global standing as a champion of ethical digital labor.

## **CONCLUSION**

The gig economy is no longer a temporary experiment in India's labour market; it has become a structural feature of the country's evolving workforce. As millions now rely on digital platforms for their livelihoods, gig work has embedded itself in India's socio-economic landscape, reshaping how work is defined, accessed, and experienced. This transition offers meaningful opportunities for flexibility and inclusion, but it also exposes significant systemic risks. Without substantial reform, the expansion of gig work may deepen existing inequalities, heighten economic insecurity, and entrench

---

<sup>54</sup> Ajay Singh Solanki, Nipasha Mahanta & Ayushi Singh, *Artificial Intelligence in Indian Workplaces: Diversity Law Issues from Hiring to Exits*, AZB & Partners (Sept. 24, 2025), <https://www.azbpartners.com/publications/artificial-intelligence-in-indian-workplaces-diversity-law-issues>

social exclusion. What could serve as a bridge to opportunity may instead become a site of vulnerability if legal protections, social security, and governance safeguards remain insufficient.

Yet this direction is not preordained. India is at a critical juncture with the opportunity to construct a rights-based framework that supports economic dynamism while ensuring justice. Establishing a clear legal status for gig workers, developing portable and durable social-security mechanisms, ensuring the right to collective representation, and instituting rigorous oversight of platform practices are essential components of a fair and functional system.

The future of digital labour in India will depend on striking this equilibrium—preserving valued flexibility while upholding dignity, fairness, and security. Fragmented policies and ad hoc regulatory choices must give way to a coherent vision that empowers workers as active participants rather than passive subjects of platform systems. Strengthening platform accountability and ensuring transparent governance structures will help ensure that technological tools support, rather than undermine, worker welfare. Collaborative regulatory models drawing on government, platform firms, worker organisations, and civil society can foster a more transparent and respectful labour environment. Alignment with global best practices and international labour standards will further reinforce worker rights and enhance India's position within an increasingly interconnected digital economy.

India's regulatory moment therefore calls for sustained, coordinated governance rooted in legal clarity and institutional coherence. Policymakers, industry actors, worker collectives, and civil society must jointly reimagine labour regulation in ways that accommodate new forms of work while maintaining core commitments to equity and justice. Only through such shared stewardship can India realise a digital economy that is both competitive and socially just.

At present, however, policy frameworks remain fragmented, inconsistently resourced, and weakly implemented. Despite incremental statutory recognition, gig workers continue to face economic shocks without reliable social protection or effective mechanisms to hold platforms accountable. Left unaddressed, this patchwork regulatory environment will widen structural inequality and intensify labour insecurity.

Addressing this fractured landscape requires integrated, multi-level reform rather than isolated interventions. Labour laws must be recalibrated to reflect the fluidity of platform work while embedding non-negotiable guarantees of dignity, due process, and social security. Stronger institutional mechanisms are necessary to ensure compliance, channel platform contributions into worker benefit systems, and harmonise federal and state regulatory mandates. Equally crucial is a participatory governance model that incorporates worker and civil-society input into both regulatory

design and oversight. Only through such comprehensive, legally robust reform can India build a resilient labour framework that keeps pace with economic transformation without compromising fundamental rights and socio-economic security.