

Gig Economy: Female Workforce Participation

Ahaan Bhandari, Varyam Gupta, Dhruv Banerjee, Devgani Kumar and
Aarya Sarda

Abstract: *As the companies within the economy have emerged with new and unique forms of employment structures, the system of a gig economy has risen to prominence. Within the gig economy, the ball game for employees has changed massively. While there are opportunities aplenty for a more flexible work environment, with increased decision-making autonomy for employees. Yet there also exist well documented shortcomings of such a system. Considering the dynamic and often undermined position held by women in the Indian economy, it is essential to assess whether the Gig economy is more beneficial for them and whether it would lead to better working conditions for women. This paper aims to comprehensively analyse the effect of the gig economy on women, with special emphasis on the time period during the covid outbreak, and subsequently suggest potential improvements which could be made to such a system for the benefit of women.*

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I. Introduction

The gig economy can be defined as an economic activity that involves temporary or freelance workers in the labour market. A gig economy included all platforms that hire independent contractors, consultants, and workers in different sectors, such as information technology, content creation, social media marketing, and communications, food and beverages, creative fields such as art and design.

Platform based gig economy has swept the labour market like a storm. It is the most recent disruption in the wake of digital technologies and has shaped the future of the labour market in India. These gig economies are run by gig workers, i.e. temporary and often short-term jobs, which can be found through digital labour platforms that connect job providers and job seekers. With around 10 million workers and a compounded annual growth rate of 25%, the gig ecosystem will have a profound impact on the Indian economy as it doubles in size by 2023.

The potentiality of the gig economy in generating millions of jobs largely depends on the support and adequate incentives provided by the government. The Indian Ministry of Labour and Employment proposed the *Code on Social Security Bill*, recognised gig and platform workers for the first time and made provisions to offer them social security benefits. This was a tremendous move but its implementation has been hindered by the lack of adequate data.

The coronavirus pandemic has altered business practices all across the world. Participation in the gig economy has grown rapidly over the past few years, and expanded exponentially since the onset of the coronavirus pandemic, due partially to the increased reliance on gig workers to home-deliver necessities to consumers. Additionally, there has been a visible shift from the traditional 9-5 working jobs to flexible gig work for additional or even primary income during these unprecedented times.

One of the most important benefits of the gig economy is the flexibility it offers, both in terms of working hours and therefore the sorts of jobs that workers can combat. While this flexibility has always been appealing, since the beginning of COVID-19, it's likely that a lot of full-time employees have had to reluctantly join the gig economy. Although there has been an enormous jump in demand, competition for gig jobs has also accelerated. The global health crisis we are living through has placed even greater emphasis on the rights, benefits and protections that businesses offer to their workers. Many businesses have started to reevaluate the role of gig workers and remodelled their operations as per business continuity plan and prefer to hire freelance talent under the given market scenario, taking advantage of the stressed cash flow.

India is the second-largest market of freelancers in the world (15 million), second only to the United States (53 million). Flipkart was the sole digital platform within the country in 2010. Since then, the market has been flooded with thousands of gig platforms, heeding to consumer needs such as domestic help, cosmetics, food delivery and transport. The platform economy has particularly attracted female service providers thanks to

¹TIF - The Gig Economy in the Pandemic
GIG ECONOMY

Gig economy: Why there is a need to balance employment opportunities with basic rights

the pliability it offers. However, women in general, low skilled in particular, continue to face institutional and structural barriers.

The main purpose of study is to provide a composite and comprehensive overview of women's participation in the gig platforms with a special emphasis on COVID-19. It looks to delve deeper into the emerging forms of labour practices and the impact of platform engagement on workers' experiences, challenges, and impact on women's empowerment and agency. It explores the gender dynamics in the gig economy, not only in the context of emerging opportunities in pink-collar work but also non conventional jobs. Furthermore, the study aims to examine the conditions of work for women service providers in order to capture the emerging sorts of labour practices within the gig economy.

II. Literature Review

This is a review of the research done on gig economies and the effect of COVID 19 on them, with specific reference to women in gig economies.

The gig economy uses digital platforms to act as a digital mediator between service providers and the service requesters (Stewart and Stanford 2017; Prassl 2018). There are two major forms of gig economies ; digital and physical. According to the human resource firm TeamLease Services, approximately 56 per cent of new employment in India – both blue- and white-collar jobs - is being generated by the gig economy, with around 90 per cent of the workforce in it (Pant and Krishna).

Gig economies also include a lot of women who appreciate the income per job structure and the flexibility to work when it is convenient. However, pay may not always be equal to men and women and jobs may be gendered (beauticians, drivers). It was noted that men earn roughly 7 percent more per hour than women as cab drivers due to experience or willingness to drive through unsafe areas. Women in India constitute only four percent of the blue-collar economy and they prefer to work in the professional fields of security, facilities, and cleaning, and as non- teaching staff in schools. Women do not have access to the same qualifications as men which hinders opportunities to participate in skilled work. (Chaudhary). Hence, we infer that women were mostly involved in the physical gig economy and very scarce in the digital space.

After the government mandated lockdown in 2020, physical service providers were suddenly unemployed for several months with no clear end in sight. Their fixed cost of equipment was too high without any income to pay it off, like EMI's on cars for cab drivers. The US-based Uber began operating in India in 2013, while homegrown Ola, a few years earlier, in 2010. They are the two main competitors in the Indian market, which is worth around US\$ 30 billion and was (before the pandemic broke out) projected to grow by 15.5 percent to US\$ 54 billion until 2023.^[1]

However, the COVID-19 crisis marks a caesura, as an entire workforce of drivers – estimated to be more than 4 million^[2] –lost huge parts of their income. (Korreck)

Additionally, big companies like Swiggy, Zomato, Ola, Uber and Airbnb had to lay off between 13-15% of their workforce (Behera). When the country finally started to open up, service providers made gig workers follow protocols to ensure the safety of the client. However, the client was not expected to do anything for the safety of the worker. Gig workers had no legal protection and were subject to the rules imposed by the platform owners. They had to risk their life in order to keep their jobs and had no legal standing to fight against the skewed guidelines. Up until the Code on Social Security was passed by the parliament in 2020, gig workers were not legally recognised for employee benefits because they were seen as 'entrepreneurs'. With the new² law, companies must recognise platform workers and provide them with basic benefits. However, the definition of a platform worker still remains ambiguous and needs to be defined for them to benefit. (Pant and Krishna)

Contrastingly, another Economic Times article takes an optimistic view on the situation for platform workers. Kaushik Banerjee, Vice President and Business Head of Teamlease.com and Freshersworld.com says "Corporate workforce is making space to accommodate gig workers. We have already seen a good 12 per cent rise from pre-COVID times," (Economic times). GigIndia co-founder and CEO Sahil Sharma said We have noticed that companies have now started shifting full-time entry-level roles to a gig model . There has been a 115 per cent increase in work-from-home gigs during the lockdown and the percentage of women giggers grew from 12.07 % to 29.34 % within six months of the pre/post-lockdown period."

In conclusion, most sources state that the platform economy suffered a great loss on multiple platforms due to the pandemic and lockdown. Even though it is a fast growing space with lucrative opportunities for all gig workers and women, the pandemic has pointed out the lack of security for these workers and the need for

²[COVID-19 and India's Gig Economy: The Case of Ride-Hailing Companies](#)

[COVID-19 and Gig Workers: Need to democratize the Gig Economy in India - ET Government](#)

[The Future of Gig Work is Female](#)

[India's Emerging Gig Economy, The Future of Work for Women Workers](#)

legislative protection. As the economy is revived, platforms may need to offer more than a job to their workers in order to continue functioning.

Gender related issue

No doubt, there has been a rise in the gig economy. As the gig economy became more and more familiarized among the people, there has been little improvement in the participation rate of the total workforce. This has allowed women to take up various jobs that were initially done by the men of the society. It has made it easier for women to manage work at and outside their homes according to their capabilities and for any number of hours. They love being their boss, get rid of difficult employers and avoid busy client schedules.

Apart from enjoying the few advantages offered, women also face various challenges concerning safety, inadequate access to technology, social protection, lack of effective bargaining power, socio-cultural limitations, gender stereotypes, upward mobility, absence of support from family members, etc. Also, the pervasiveness of automated ratings and review mechanisms is a chief issue in the gig economy.

The Covid-19 pandemic is also added to the list of challenges faced. During this time, the country (India) was in lockdown. Hundreds of thousands of salaried gig workers (men and women) lost their jobs. For some, workers' salaries were reduced by two-thirds of their total income. Out of the 13 gig platforms in India, only 5 of them offered pay loss compensation to their workers.

Female gig workers faced the pandemic with great difficulties. Various fields of services such as care and domestic work, salons, etc. were completely shut down. Delivery workers have left with no other option apart from choosing income over safety. A higher percentage of women (74%) were earning less than Rs. 10,000 when compared to that of men (65%).

Gig economy is largely an urban phenomenon so far. The unskilled workers in the gig economy are paid below minimum wages and are not covered by any type of social protection. The most vulnerable groups – women, ethnic and internal migrant groups – are often faced with double discrimination on account of both their social and employment status. These workers are, therefore, more likely to suffer and be denied access to enabling rights. Through our report, we make specific recommendations and argue that policymakers and platforms have a key role in ensuring access to decent work and social protection for these workers (even during times of crisis).

Drawing attention to women's labour in the emerging economy, this report aims to provide a comprehensive analytical overview of women's engagement in various (gig) platforms and also understands its impact on workers' experiences, challenges, and impact on women's empowerment and agency. This report essentially focuses on the labour question in these services more commonly identified as 'gig work' and tries to examine the impact of such gig work on the employer-worker relationships. In India, there is very little formal research on the platform economy and even less on the specific constraints and challenges faced by women who are engaged in it. To fill this gap, this report seeks to document the gendered impact of such employment on women, who already face significant disadvantages related to poverty and access to formal employment, compared to the male counterparts.

“The Indian government is working towards making the country a digital one. Gig economy is an urban phenomenon. It is not so popular in rural areas. This is due to the lack of digital knowledge in these regions. Individuals, especially women, are not able to afford mobile phones or internet connections. This creates a digital divide between rural and urban areas. As the rural parts of our country hold significant potential for expansion, it is necessary to make the gig sector more inclusive, which in turn will increase the gig economy. For this, the Indian government has launched a program called the Pradhan Mantri Gramin Digital Saksharta Abhiyan (PMGDISHA) that aims to train at least one person in every household in the field of technology. Under this 51% women, 20% SC and 8% ST communities and 43% OBC candidates are already covered. We still have a long way.”

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³[Opinion: India's gig economy needs affirmative policy push - ET Government](#)
[Gig Workers And Platform Workers: The Code On Social Security 2020 - Employment and HR - India](#)
[Fairwork India Ratings 2020: Labour Standards in the Platform Economy](#)
[India Looks To Extend State Employee Benefits To Gig Economy Workers](#)

Labour Law Reforms

Around 29 labour laws have been condensed into four Codes to significantly reduce compliance burden, improve the ease of doing business, make hiring and firing of workers easier and provide enhanced flexibility to employers in terms of work hours. However, the implementation of these codes pose a major institutional void that the labour ministry fails to understand.

An inherent defect that still prevails is the overlapping of definitions. Although the code claims to reduce the complexities, it has indirectly perpetuated further ambiguities. There are distinct mentions of gig workers, platform workers as well as the unorganised sector. Consider the example of a delivery person working for an app-based company. Here, there is no employee-employer relationship. For example, appointment letters are not issued, social security benefits are absent, work hours are not regulated by the employer, and the person has the opportunity to earn more by working with competitors. This highlights the criteria outside the 'traditional employer-employee relationship', making him a 'gig worker'. However, the delivery person is able to pursue this job only through an online platform. This would meet the definition of a 'platform worker' as well. Such a driver may also be an 'unorganised worker' as he may be self-employed too.

A recurring theme during the pandemic seems to be the complaint that employers are getting wider ranging authority with regards to conditions of work. This makes sense considering the fact that company's are looking to employ fewer people than usual, so workers are willing to work for lower wages and are willing to put up with worse conditions of work, as is characteristic of a recession. This translates to similar effects for gig workers as well. For one thing, workers are supposed to pay a "commission" or a certain proportion of their earnings to their employers. These commissions are now being set at rates which gig workers are often extremely discontent with. Disturbingly, this seems to be something encouraged by the code, as employers gain significantly more autonomy to decide how to treat employees. As the code has been widely criticised by unions for giving more freedom to employers in some senses, gig workers are feeling the burden of the subsequent problems. There is naturally a resultant friction between employers and employees. The Code seems to be promoting businesses more than it aids the workers. The dilution of penal provisioning for the workers coupled with the lack of stringent penalties on the employer in case of any violation, provides the employers with greater protection at the expense of the employee.

When important legislative measures are passed, particularly one which seeks to fundamentally address the issues faced by large portions of the nation's working population, it has to be ensured that both the legislation and its implementation measures are watertight and effective. However this is one of the regards in which most laws ironically fall short. Without ensuring strict implementation, any official effort is pretty much nullified, and ends up as false promises. This is a trap the code needs to avoid at all costs, considering the sheer dependency gig workers have on proper terms of employment just to ensure basic subsistence right now. No mention of any obligation to national or state bodies to disseminate information regarding the changes brought by the Code. This results in a gap of information, and restricts the gig economy workers to take advantage of the policies implemented. Without being made aware of the provisions of the code, workers continue to be under the risk of possible exploitation.

For such important laws, expert reviews and consultation with important stakeholders is necessary at multiple levels. This is an extremely relevant and even controversial point with regards to the social security code. The bill was notoriously passed by verbal voting in parliament (which is very unreliable and conventionally not used for more important drafts of legislation), that too in the absence of many of the opposition members. This is extremely concerning considering the gravity of the changes and its widespread effects brought about by the code. For one thing, it was not subjected to due parliamentary deliberation, hence not being subjected to adequate scrutiny by the legislature, and being shielded from the potential criticisms of the opposition. Another downside to this is that parliamentary committees could not provide appropriate recommendations for necessary changes in the bill, something which is otherwise customary in such cases. Many think tanks opposed certain contents and many parts of the media took a less than flattering view of the manner in which the bill had been passed, but most of this was to no avail. On the brighter side, the code made provision for a national social security board to better oversee positive policies and schemes for those working in the gig economy, which could certainly prove to be beneficial in the long run. More provisions like this might prove useful.

The Code provides for a Social Security Fund comprising contributions from gig companies and the Centre or State government, with gig companies expected to allot 1-2% of their annual turnover. Apart from that, these companies are also expected to maintain a register of their gig workers, and any expense borne for maintenance and updation of the database could fall on them. While these are substantial steps, the ill-effect of this could be that the additional costs are eventually passed down by the firms and borne by the workers. This could further reduce their income and increase the level of inequality in the economy. There are a large number of formalities that people need to get through just to be registered as a gig worker. A wide range of legal documentation such as aadhaar card is necessary to be registered as a gig worker, which may ultimately negatively affect the progress of the gig economy by indirectly discouraging people from entering it, due to the cumbersome process for registration.

POLICY MEASURES

Macroeconomic Gender Specific Budgeting

Gender responsive budgeting along with women specific transfer payment schemes for women involved in gig work. A composite and integrated approach includes sex-concentrated analysis of the beneficiaries of distinct categories of government spending, the incidence of specific tax policies and an emphasis on gig women workers. This could be through gender audits of ministries, gender assessments, raising awareness and the establishment of a Gender Responsive Budget Committee that entails a budget tracking system to measure the gender responsiveness of public spending like seen in Nepal. As for transfer payments, they are necessary as women are still not entirely at the same level. Institutional and systemic restrictions have historically impacted their earnings and opportunities. Basically, mobilizing public resources and re-allocating expenditure towards areas that improve gender equality.

Reform in the Sexual Harassment of Women at Workplace Act, 2013

The Sexual Harassment of Women at Workplace (prevention, prohibition, and redressal) Act states that any act of harassment at a place visited by a female employee under the duration of employment, including transportation, will result in the female being able to claim formal accountability against the perpetrator and thus claim a resolution. However, since female gig economy workers are considered as "independent contractors" and not "employees", they are not protected by the act. This results in any case of harassment of a female gig economy worker being treated as a dispute which should be resolved independently between both parties, instead of a direct provisioning of legal help and protection with the help of the company. Thus, to counter the insecurity and vulnerability that female gig economy workers feel due to this act, there need be reforms brought about in the act, which could even include an entire clause or section for female gig economy workers. The section should entail more inclusive and protective benefits to these workers which may have only been extended to traditional employees as of now.

Ensuring Mandatory Compliance to an Emergency Button application

As gig economy workers are often required to visit the houses and private spaces of their clients, this opens them up to various sorts of vulnerabilities. Female workers especially, may feel unsafe and unsure about the new environment that they are entering. In such a case, the option of neglecting their service has negative consequences as there is no framework for an emergency button in place. As seen in a few companies like UrbanClap, an emergency button allows the service provider to take an exit in a circumstance which makes them feel unsafe, however various companies neglect the implementation of this application. To encourage greater female gig economy participation, a policy mandating the need of an emergency button application will be a necessary step.

Inclusion of gig work category in NSSO or CSO

The Social Security Code Bill has given the governments the right to formulate welfare schemes for the gig workers such as provident fund, social security schemes, life and disability cover, up-gradation of the life of the workers, housing, education for their children, etc. It is decided that all the states will set up a workers' facilitation for the proclamation of these provisions to the gig workers. But the number of female gig workers has been significantly increasing, making it difficult to reach out to each worker. Thus, it is important to be acquainted with the accurate percentage of the gig workers in the country and know where exactly the labour force is being employed so that this helps the government to constitute better policies, provide better services

⁴UrbanClap extends insurance benefits for its partners

Gig economy: 'In competitive times, gig workers can make the difference between leaders and also-rans'

and ensure that each and every gig worker enjoys these provisions. This statistical data will also help the corporates to hone the skills of the workers. A proper database will, hence, assist the authorities in making the right decisions for the enhancement of the workers. Therefore, a new category of gig work should be included in the NSSO or CSO to determine this percentage.

Support & Stimulus Packages for small scale/unorganised gig based companies

Certain major companies have such a massive foothold in the gig economy, that it becomes difficult for other companies to enter the market in any major profitable way. As a result, these smaller companies do not entirely follow labour related laws, or they are not able to grow. The Government can perhaps come up with a plan for fiscal support or stimulus packages in the budget of upcoming years. Furthermore, methods to ensure adherence to labour laws and regulations by smaller companies in the gig economy should be developed by the Government, particularly in key areas where such gig jobs are most prominent. This kind of sustainable financial support as well as overall regulatory mechanisms could potentially be developed by a specialised planning commission of experts.

Multi-fold legal solution

Potential exploitation or finance related miscommunication between major companies and poor gig workers is rampant. Firstly, this system suggests that the workers should be entirely aware of the actual contents of any contractual agreement before they enter it. For this to be implemented there need to be provisions to ensure adequate legal guidance for these workers, whether provided by the company in question or otherwise. Secondly, guidelines need to be formulated in a way such that labour laws can be implemented uniformly and effectively. For this, cooperation between state and central Government might be necessary. Thirdly, Proper expert approved training should be facilitated for new gig workers to ensure that they know the laws and rights which they are entitled to.

Mandatory customer behavior regulations for the safety of the workers

There are no behaviour regulations placed on customers with the interest of protecting the gig worker. Since the gig work may be carried out at the customers residence, there is a need to ensure that the gig worker is safe by making the customer comply with a certain standard of safety measures to avail the service. Especially in the light of the pandemic, masks and sanitisation should be mandatory for both parties in the transaction. Just as there is a check for the gig workers' safety measures, we need to install some for the customer as well. When customers pay for services provided outside their homes, they are expected to follow the regulations that have been put in place for the employees there. For example, wearing masks at a gym or restaurant. Similarly, we need to put in place measures that require customers to follow safety measures even when at home if there is a gig worker present. If we pass legislation that allows companies to regulate people at their own homes when it concerns the safety of a service worker, companies can add the necessary measures to their applications to make sure all gig workers are safe no matter where they go to work.

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