

'Gigs', the Alternative Work Culture on Rise

The gig economy by no ways a novel concept. But in the preceding decade the notion of working at the same company till retirement is fast changing and the biggest workforce trend in this disruption culture is gig works. Today, when most people talk about gig economy they are referring to new technology enabled work environment where in short term, temporary and independent contracts are common place. The three components of gig economy i.e the independent workers, the consumers and the companies are all driven by the development of new app based technological platforms which make the interaction between all the three quite easy and at real time basis. Most people prefer to mention gig economy as freelance economy, demand economy or sharing economy.

Statistical survey by Bureau of Labour points that generation Y are more likely to rely on gigs and gig culture is likely to predominant the work environment. By 2020 nearly half of the work force will be gig workers which will by 2030 will expand to as much as 80 percent around the globe. In US, the contribution by freelancers which are 36 percent of the total workforce, to its economy was dollar 1.28 trillion in 2018 and at the current rate this percentage of gig workers to total workers will be more than 50 percent by 2027.

India with the unemployment rate at a 45 years high at 6.1 percent due to reduced domestic consumption, declining industrial growth, lower private investment and market volatility. This grim employment situation is prompting jobless urban youth towards gig economy. In the last half of year 2018-19, 13 lakh Indians joined the gig workforce in comparison to first half of the fiscal year. Teamlease estimated the creation of 21 lakhs jobs in 2019-20 in metro cities out of these jobs 14 lakhs will be in gig economy. Nearly 6 lakhs positions accounts for the drivers and 8 lakhs jobs accounts for E-Commerce and food delivery. One in every four persons working as freelancer is from India and India ranks among the top 10 countries for freelancing work. Even, India dominates the demand for software engineers in the world which accounts for 50 percent of the total freelancers and majority of them are under the age of 40. World Bank estimates that India's gig market has the potential to grow up to dollar 20 to 30 billion by 2025.

The millennial generation is entering the gig economy in almost every industry and now it is not confined only to web design or creative writing. New avenues in the area of finance, transportation, healthcare, education, agriculture & forestry and construction are booming. Moreover, business organizations appeared to be welcoming this concept of gig work wholeheartedly. An estimation predicts that almost 40 percent of companies expect that gig workers will become an increasing part of their workforce within a span of 3 to 7 years. Management is definitely seen the value in using freelance workers to meet it staffing requirements.

The driving force for this alternative work culture over the traditional employment can be attributed to many factors. Absence of job security coupled with complex contracts, lower rates of compensation, high stress of meeting targets, long working hours are few propelling factors to think about traditional work behavior. Flexible working hours, chance to earn more money during short fall in income or unexpected expenditures, better work life balance, breakdown of monotony and repetitive nature of work are few silver linings which the employees see in this alternative work culture of gig works. Business organizations are also finding it beneficial in terms of resource savings from renting office space, training, social security benefits and moreover there is an ease for them in getting experts for specific projects and meeting the deadlines. However, the challenges like unsteady workloads and payment schedules, lack of social security benefits,

temporary nature of work, frauds in terms of not being paid for the work, chances of exploitation and low wages are hovering in the minds of the employees. The lack of proper regulation for employers and employee, concern over information security of gig workers as well as assurance of quality work is another hindrance. With increasing cyber crimes the pertinent task for freelancing platform is to build a rapport and trust among job seekers and employers.

Legal framework for gig workers

Worldwide the governments are keen on developing inclusive policy covering all stakeholders to expand the interest of gig workers in the fast growing gig economies in which millions of workers are involved. California the birthplace of gig economy is aggressively working on labour framework for gig workers. Even other countries like United Kingdom, European Union and New York are consulting the labour departments for passing minimum wages, classifying employees and formulating rules such as description of duties, compensation for late cancellation of work and other employment terms. The Labour and Employment Ministry of India has put out the third draft of code on social security bill 2019 wherein they have talked about the interest of gig workers and platform workers.

The government has sought to maintain status quo when it comes to defining gig workers. To ensure the definition is as broad-based as possible the government has used the term platform workers separately in draft law. The government has attempted to balance the need of gig workers and distinguish them from the traditional employee employer relationship. In the present draft, gig workers will remain outside the coverage of Employees Provident Fund, Gratuity and Maternity Benefit Laws and Employee State Insurance Scheme. Gig workers are also not included in the code of wages act which became law in August 2019 thereby keeping them out of the minimum wage legislation too. But, the industry is concerned about the government's move to bring gig economy workers under labour laws. Gig workers do need social security benefits but what needs to be covered and who will bear the cost needs to be clear.

The proposed law suggests that the central government will frame social security schemes for gig and platform workers that will be mostly related to old age protection life and disability cover health and maternity benefit. But the industry is looking forward that the government will also define the role of aggregators in such schemes once the draft law is approved by parliament.



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