



Challenges In Implementation Of Social Security Code For The GIG Workers

Dr. Ranjana Sahu
G. S. College of Commerce & Economics, Nagpur

Abstract:

The number of Gig workers including both platform and non-platform workers in India has shown a remarkable increase in this digitalised world. Inclusion of labour centric regulations will lead to increase in productivity of labour and the development of industry. This research paper is an attempt to delve deeper to know how the implementation of social security codes transforms the life of gig workers by bringing them in the formal set-up. These codes provisioned for a strong social protection, safer work-places for all labourers. All business and industrial units should be included in this modern and unified system to pass on the benefits to all workers including gig workers.

Key words: Gig workers, Platform and non-platform workers, social security code.

Introduction:

With the rising labour force in tertiary sectors to provide speedy delivery and fast services, the availability of platform and non-platform-based operations have resulted in creation of millions of jobs and income opportunities- Ola, Uber, Rapido, Swiggy, Blinkit, UrbanClap to name a few. These reforms have digitally transformed India's labour market and the employer-employee relationship. Social Security Code, 2020 which intended to provide social security benefits to all workforce irrespective of their structure whether formal or informal. But it seems that the implementation of social security code 2020 after 5 years of enactment has resulted in limited benefits to the labourers in informal set up as one of the objectives of passing this code is to ensure inclusive social protection to all the labourers.

Gig economy in India is developing at a fast pace owing to the demographic profile of India, youngest population in the world and half-a-billion work-force with access to smart technology. Urbanization, expansion of e-commerce to rural and remote areas thus have increased the size of gig workers population. As per NITI Ayog Report, 2022, there were around seventy-seven lakhs of gig-workers in the year 2020-21 which may be increased 3 times to 23.5 million by the end of this decade and will continue to show an upward trend in the coming years. The number of gig workers in non-farm economy will further increase to 90 million gig-able jobs in future as predicted in the report. This will further add 1.25% to the GDP amount to 250 billion dollars.

The study aims to understand the impact of social security code from the perspective of gig-workers, the opportunities and challenges faced by them, the need of training to upskill them for better employment opportunities irrespective of gender, sector, including differently abled persons. The study is an attempt to assess whether the social security code is going to address the issues of gig-workers or is going to create a

new form of precarity. This study examines the challenges in implementation of social security code 2020 for providing welfare benefits.

Objectives of the Study:

1. To know about the level of awareness among gig and platform workers about the benefits as claimed in the social security Code 2020.
2. To study the involvement and measures taken by the firms, business/industry for the effective implementation of social security code, 2020.
3. To know about the inclusion of gig-workers on E-shram portal.
4. To study the problems and challenges of gig-workers and suggest measures to solve them.

Research Methodology:

The present study being qualitative in nature, descriptive research design has been used. Interviews and interactions with the gig and platform workers, labour officials, firms, formed the primary data source of this research. The reports published by NITI Aayog, Ministry of labour have been referred as secondary source. Case-study method has been used to gain deeper insights about the challenges faced by the gig-workers, the first-hand information thus collected has also helped in finding solutions to the problems of gig-workers and also lead towards effective implementation of the Social security code in future to maximise the benefits to gig-workers.

Review of Literature:

De Stefano (2016) in his study presented that platform-work is a kind of self-employment but at the same time is dependent on other firms or industry or business. There is absence of any legal mechanism to address the problems of platform workers.

Kässi & Lehdonvirta (2018) has presented an overview of the trends in the digital labour market in the world which is showing dependency and reliance on gig-based income.

As per the report shared by NITI Aayog in the year 2022, the number of gig workers is more than seven million which will triple itself by 2030.

Mehrotra (2021) pointed out that although inclusion of gig workers remained a part of the Social Security Code 2020, it lacked concrete measures to address the unique challenges and problems of work-force in gig-economy.

The study of problems of Gig-workers after five years of implementation of social security code 2020 will thus reveal the effectiveness of this code and overcoming the lacuna which is the objective of present study.

Analysis and Discussion

Case Study method has been used to analyse the position of Gig Workers in the Post-COVID Platform Economy. The COVID-19 pandemic, coupled with the rapid expansion of app-based services such as Ola, Uber, Zomato, Flipkart, and Domino's, has significantly altered employment patterns in India. Many individuals have shifted from low-skilled, low-paid, and insecure traditional jobs to flexi-time gig work in order to earn a livelihood. The following cases highlight the lived experiences of gig workers across age groups and platforms.

Case 1: Rajesh Pardhi (Age 44): Rajesh Pardhi transitioned to gig work after the pandemic due to limited employment opportunities. On average, he earns around ₹12 per delivery and completes nearly 100–150 deliveries per day to sustain his income. However, all operational costs—including petrol, vehicle maintenance, and mobile expenses—are borne by him. Deliveries must be completed on the same day, except in cases of serious illness or emergency; failure to do so attracts penalties. Although Rajesh is aware of the e-Shram portal, he has not registered and therefore does not receive any social security benefits. He expresses dissatisfaction with his current job but continues due to financial necessity.

Case 2: Zomato Delivery Partner (Age 27): A 27-year-old male working with Zomato earns approximately ₹800–1,000 per day by working around eight hours. He values the flexi-time nature of the job and considers it a relatively stress-free employment opportunity. However, he notes a decline in pay and incentives compared to earlier periods, attributing this to the increasing availability of gig workers and low entry barriers in India.

Workplace Challenges Faced by Gig Workers: Gig workers across platforms report multiple operational and behavioural challenges. These include traffic congestion, incorrect or unclear delivery locations, delays in food preparation, pressure to deliver orders quickly, improper customer behaviour, unresponsive customers, lack of consistent incentives, and income loss during erratic rainfall. Additionally, workers face ID blocking in the event of customer complaints, absence of paid leave, and uncertainty regarding tips and festival incentives.

Case 3: Domino's Delivery Partner (Age 51): A 51-year-old male works part-time as a delivery partner with Domino's, earning between ₹1,000 and ₹1,200 per day. Previously employed as a daily wage labourer, he shifted to gig work due to advancing age and lack of alternative employment options. Despite the income support, he reports no job security, absence of rest room facilities during work hours, and overall low job satisfaction.

Additional Observations: A graduate working with Zomato reported that the platform provides insurance coverage to gig workers, though many are unaware of government schemes such as the e-Shram portal. Workers receive additional bonuses during lunch hours, dinner hours, and festive seasons. Some individuals, including competitive examination aspirants, engage in gig work on a part-time basis to earn pocket money. Zomato has made login mandatory during peak hours. Monthly earnings typically range between ₹8,000 and ₹10,000 for part-time workers.

In contrast, a graduate working as a Flipkart gig worker earns between ₹25,000 and ₹30,000 per month. However, challenges such as communication with customers, delivery of heavy goods—especially during the rainy season and in buildings without lifts—persist. Although aware of the e-Shram portal, this worker has also not registered for social security benefits.

These cases collectively highlight the economic dependence, flexibility, and vulnerabilities of gig workers in India. While gig work offers income opportunities and flexible schedules, issues such as lack of job security, declining incentives, high work-related costs, and limited awareness or access to social security mechanisms continue to affect workers' well-being. Speed, collaborative institutional efforts of the Centre and State government and transparency are the key drivers for the successful implementation of this uniform code for social security of labourers in India.

Challenges:

Social security code aims to extend benefits to all workers viz. unorganized, gig, and platform workers. Gig economy has contributed to the nation's economic growth so the gig and platform workers have also been included as beneficiaries of this social security code for labourers. With the implementation of this new labour codes all the workers will be entitled for life/insurance, health care, maternity, compensation for loss and provident fund benefits. For the successful implementation of this social security code by the government, the following challenges should be addressed:

1. The creation of social security funds for gig and platform workers as mandated by the code has not been followed by many firms. The states have not taken serious steps to implement this provision.
2. The Social Security Code can be implemented effectively with the availability of proper data/records on gig workers. Self-registration on e-shram portal by the gig and platform workers is very low owing to the lack of awareness, motivation, and digital literacy particularly in rural areas and among delivery workers.
3. Strengthening the process of self-registration through an online portal as gig-workers are not aware, rural gig workers and delivery workers may be lacking in digital literacy.

4. Contribution of 1-2 % of platform turnover for making provision of fund for gig-workers is not being implemented by many organizations. Small firms, small platforms, free lancers easily escape this funding mechanism and gig workers are not aware about their rights and privileges.
5. Effective co-ordination among organizations and government for implementation of the social security code is must.
6. Strict enforcement mechanism, accountability for non-compliance and grievance redressal mechanism are equally important for better implementation of the social security code for the benefit of gig workers.
7. The central and state bearings on the policy is unclear which may create uneven access to protections available to these workers across different states.
8. Unclear provisions for sudden termination, accounts suspension and unstable earnings for gig-workers must be addressed.
9. No direct incentive for registration in e-shram portal by gig workers and platform workers is a major problem to transfer the benefits to the actual beneficiaries.
10. Minimum wages guarantee and employment security are important to effectively implement this code.
11. Underreporting by the aggregators/companies or firms to lower their obligation to contribute on the basis of turnover or value of transactions is another problem.
12. It is observed that platform companies/firms apply excessive monitoring and control over workers' activities which create unhealthy work-environment for gig and platform workers.

Measures to ensure social security code:

The number of Gig workers including both platform and non-platform workers in India has shown a remarkable increase in this digitalised world. Inclusion of labour centric regulations will lead to increase in productivity of labour and the development of industry. This research paper is an attempt to delve deeper to know how the implementation of social security codes transforms the life of gig workers by bringing them in the formal set-up. These codes provisioned for a strong social protection, safer work-places for all labourers. All business and industrial units should be included in this modern and unified system to pass on the benefits to all workers including gig workers.

- Paid sick leave, Insurance, access to health benefits, should be made a mandatory inclusion in the policy for platform workers engagement by the firms, accident cover should be provided for all delivery and driving workers/partners by the firms and government, compensation for occupational disease and contingency benefits should be included depending upon the nature of work by the select firms in case of injury arising out of job and leading to the loss of job on temporary/permanent basis or partial/total disablement.
- In the advent of some irregularities, assurance of minimum wages to the sufferers should be provisioned for the gig-workers keeping in account a varied nature of job/work an individual might be performing, Corpus fund be generated and utilised for providing financial assistance to the needy gig-worker by the firm.
- Efforts should be taken formalize the workers in the gig-economy with the use of technology and other platforms, the varied challenges faced by small platforms should be addressed, women-run platforms and their problems should be given due importance to help these platforms grow in future and contribute to the development, support should be made available to small businesses and entrepreneurs which are associated with platforms by making easy finance available to them, or interest free loans/advances for a short period, or by delayed pay-back, enumerators should be appointed to understand about the size of the gig and platform economy and to address their unique challenges, Differently abled persons, women, old-age persons all must be included.

Conclusion:

The findings of this study indicate that gig work in the post-COVID platform economy has emerged as a critical source of livelihood for a diverse workforce, particularly those displaced from informal and low-skilled employment. While platform-based gig work offers flexibility, low entry barriers, and short-term income opportunities, it simultaneously exposes workers to significant economic and social vulnerabilities. Earnings remain uncertain and largely performance-based, with workers bearing operational costs such as fuel, vehicle maintenance, and digital connectivity. Declining incentives, stringent delivery timelines, and penalties further intensify income insecurity.

The study also reveals a pronounced absence of job security, paid leave, and workplace facilities, especially among older and full-time gig workers who rely on this work as their primary means of survival. Although some platforms provide limited benefits such as insurance coverage and peak-hour bonuses, awareness and utilization of government social security schemes—particularly the e-Shram portal—remain low. Moreover, power asymmetry between platforms, customers, and workers is evident through mechanisms such as ID blocking and complaint-driven penalties.

Overall, the research underscores the need for stronger regulatory frameworks, improved social security coverage, and greater platform accountability to ensure fair wages, transparency in incentive structures, and dignified working conditions. Addressing these gaps is essential for making gig work sustainable and inclusive, rather than a compelled choice driven by economic distress.

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