

NAVIGATING THE CHALLENGES IN GIG ECONOMY : THE STRUGGLE FOR COLLECTIVE BARGAINING RIGHTS IN A WORKPLACE

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BEST CITATION – AALIYA AMEER. A, NAVIGATING THE CHALLENGES IN GIG ECONOMY : THE STRUGGLE FOR COLLECTIVE BARGAINING RIGHTS IN A WORKPLACE, *INDIAN JOURNAL OF LEGAL REVIEW (IJLR)*, 5 (5) OF 2025, PG. 184-194, APIS – 3920 – 0001 & ISSN – 2583-2344

Abstract :

Gig economy is a modern labor market system which has redefined the traditional labor market system which has its own advantages and disadvantages. This has challenged the traditional labor employment structures in various forms most notably through its flexibility and autonomy. Millions of people are now performing on-demand, freelance, and temporary jobs because of the growth of digital platforms like Uber, Swiggy, and Urban Company. But this change has sparked serious questions about labor rights, especially the right to collective bargaining. Gig workers are basically categorised under Independent contractors which is in total contrast to the traditional employment structures. which makes them not eligible for social security benefits and unionization and other important benefits that a normal employer is eligible to claim under traditional labor legislations. This power disparity that is prevailing in the market makes the workers and platforms less exposed to bargaining rights as to equitable pay, secure working conditions and dispute resolution.

The challenges with regard to gig workers rights still remain unresolved because of the lack of unclear legal provisions that validates gig workers rights. Labor laws like the Industrial Disputes Act and Trade Unions Act exclusively deal with formal employment and lack provisions with regard to gig workers rights which creates some important legal challenges in the field of platform based workers. Many countries have brought notable legislative changes with regard to gig workers rights.

This paper delves into the structural and legal challenges to collective bargaining in the gig economy with key focus on Indian labor laws, the lacunas and the insights into foreign labor laws. This research underscores the importance of policy reforms and legislative changes guaranteeing equitable working conditions and sustainable labor rights for gig workers.

Introduction :

The gig economy is growing rapidly due to improvements in technology, the growth of digital platforms and the shift in work culture. The rise of platform-based companies such as uber, swiggy and air bnb has opened doors for a flexible work culture. The rise of the gig economy has redefined the conventional work cultures. Development of the gig economy is made possible through greater internet penetration, availability and the growing need for an affordable labor market.

India has witnessed significant growth in the gig economy particularly in urban centers. Vast employment opportunities have been created through platforms such as swiggy, zomato, ola and uber. These platform based works attract a huge workforce because of the flexible work arrangements. According to Niti aayog report June 2022, it is estimated that 7.7 million gig workers were engaged in the gig economy which constitutes 2.6% of the non agricultural workforce. The report states that by 2029-2030

the workforce is expected to expand to 23.5 million in India³²³.

In India, the gig economy has witnessed considerable growth, especially in urban areas. Swiggy, Zomato, Ola, and Urban Company are some of the platforms that have generated tremendous employment opportunities, providing a workforce seeking employment on flexible terms. The growth of e-commerce and digital services further boosted gig employment, especially in last-mile delivery and logistics. India's gig workforce is set to expand manifold, adding value to India's employment sector and GDP, as per reports. Yet, this growth has also brought the issue of workers' rights, income security, and social security to the fore. Gig work offers earning prospects, yet the absence of legal protections and employer responsibility raises serious challenges, calling for regulatory reforms for promoting fair and sustainable employment conditions.

SIGNIFICANCE OF THE STUDY :

The fast growth of the gig economy has reshaped labor markets, providing workers with flexibility and businesses with cost savings. At the same time, it has also generated huge labor rights issues, mainly concerning job security, equitable compensation, and social protection. Among the most serious issues of this new employment paradigm is the lack of collective bargaining rights of gig workers. In contrast to regular employees, gig workers have no formal system of negotiation to secure higher wages, enhanced working conditions, or social protections, and therefore are exposed to exploitation.

This research is important as it responds to the structural and legal hurdles that block gig workers from realizing collective bargaining rights. It discusses the effects of their status as independent contractors, which limits them from unionizing or negotiating collectively. The

research also investigates international legal systems and policy responses that have aimed at enhancing labor rights for gig workers, and extracts lessons for the Indian situation.

Research Questions:

1. How does the classification of gig workers as independent contractors impact their ability to engage in collective bargaining under Indian labor laws?
2. What legal and policy reforms can be implemented to strengthen collective bargaining rights for gig workers in India?

Research Objectives:

1. To analyze the impact of gig workers' classification on their labor rights, particularly collective bargaining, within the existing legal framework.
2. To examine global best practices in recognizing gig workers' rights and explore their applicability in the Indian context.
3. To identify gaps in Indian labor laws concerning collective bargaining for gig workers and propose policy recommendations for legal reforms.

Research Gaps:

Lack of Legal Clarity on Gig Worker

Classification – Current Indian labor legislation, such as the Code on Social Security, 2020, identifies gig workers as a distinct category but fails to establish their rights with regard to collective bargaining. There is little research on how this classification affects their capacity to bargain for improved wages and working conditions.

Lack of Collective Bargaining Mechanisms for Gig Workers

– In contrast to regular employees, gig workers do not have the legal status to create recognized trade unions or participate in formal collective bargaining. There is a lack of research on other models (e.g., sectoral

³²³ NITI Aayog, Annual Report 2017-18 (2018), https://www.niti.gov.in/sites/default/files/2020-02/Annual_Report_2017-18.pdf.

bargaining or platform cooperatives) that can be modified to fit India's legal system.

Judicial Interpretation and Policy Response –

Although courts in nations such as the UK and Spain have favored gig workers' rights, Indian judicial decisions regarding this are sparse. Indian case law and judicial precedents are scarce, making it a gap in research regarding how Indian courts might interpret gig workers' collective rights.

Effect of Algorithmic Management on Labour Rights –

Studies of algorithmic control by online platforms and its effect on labour rights in India are still emerging. There is sparse literature on how automatic systems affect pay, job distribution, and workers' capacity to organize in common.

CHALLENGES FACED DUE TO THEIR CLASSIFICATION AS INDEPENDENT WORKERS :

The most important challenge for gig workers is that they are referred to as independent contractors and not as employees. This categorization precludes them from essential labor protections like minimum wages, access to health care, and the ability to collectively bargain. As labor laws across most nations, including India, almost exclusively benefit formal employees, gig workers remain in a jurisdictional ambiguity where they do not have the benefits available to regular workers³²⁴.

Having been declared as independent contractors, gig workers are not guaranteed steady wages or employment protections. They pay for their own social security taxes, insurance, and work expenses while being under the control of online platforms that set prices, availability of work, and performance reviews. This creates a skewed power relation in which gig workers have limited options for pushing against exploitative wage arrangements or unfair terms.

In addition, labor legislation in certain nations, such as India, prohibits independent contractors from unionizing since their collective action could be deemed anti-competitive. This legal restriction bars gig workers from unionizing or collective bargaining. To solve these issues, policymakers need to rethink the legal definitions of employment and implement hybrid work models that provide gig workers with necessary labor protections without undermining platform flexibility³²⁵.

GIG ECONOMY :

Gig economy is a labor market with short-term, flexible employment where people work as independent contractors or freelancers instead of regular employees. Facilitated by online platforms, gig work exists in various sectors such as ride-hailing, food delivery, freelancing, and professional services. Unlike regular employment, gig work is usually task-based, with workers paid per task instead of a regular salary.

The categorization and legal status of gig workers in India have been a topic of much controversy, particularly with the enactment of the Code on Social Security, 2020. The law is the first official effort by the Indian government to codify and deal with the status of gig and platform workers. Yet, it does not extend the same rights and protections to them as regular employees, leaving many issues of their employment terms unanswered³²⁶.

Definition Under the Code on Social Security, 2020

The **Code on Social Security, 2020**, recognizes gig workers as a separate category distinct from employees and independent contractors. It provides the following definitions:

1. **Gig Worker:** According to the Code, a gig worker is a person who performs work or

³²⁴ The Gig Economy & Challenges, Centre for Development Policy & Practice (CDPP), <https://www.cdpp.co.in/articles/the-gig-economy-challenges>.

³²⁵ The Code on Social Security, 2020, No. 36 of 2020, INDIA CODE (2020), https://labour.gov.in/sites/default/files/ss_code_as_introduced_in_lok_sabha.pdf.

³²⁶ Navigating the Challenges of the Gig Economy and Freelance Work, Rushford & Associates, <https://rushford.ch/insights/navigating-the-challenges-of-the-gig-economy-and-freelance-work/>.

participates in a work arrangement and earns from such activities outside of a traditional employer-employee relationship.³²⁷

2. **Platform Worker:** The Code further defines platform workers as individuals who are engaged in work through a digital platform, such as ride-hailing, food delivery, or freelance services³²⁸.

These definitions recognize the presence of gig workers but refrain from defining them as employees, i.e., they do not enjoy benefits like minimum wages, paid vacations, or security of employment under current labor laws.

CLASSIFICATION OF GIG WORKERS :

Classification of gig workers is an essential legal problem because it will establish their rights, protection, and obligations³²⁹. Governments and labor legislation around the world struggle with classifying gig workers as either employees or independent contractors, which come with distinct legal ramifications.

Employees vs. Independent Contractors

Traditional workers are entitled to labor rights, such as minimum wages, overtime, job security, and social security benefits. Employers are obligated to offer these benefits and adhere to labor legislation. Independent contractors, however, are defined as self-employed workers who work on a project-by-project basis and are not entitled to regular employment protections. Although this designation provides flexibility, it also places financial and legal burdens on workers, leaving them exposed to exploitation.

Legal Classification Under Indian and Global Labor Laws

In India, gig workers are not legally categorized under labor legislation, and thus they remain in

a state of legal ambiguity³³⁰. The Code on Social Security, 2020, defined the term "gig workers" and "platform workers" and treated them as a separate class but without providing them with complete employment rights. Gig workers, unlike employees, do not have any right to minimum wages or collective bargaining but the law has proposed some social security benefits.

Internationally, various nations have pursued diverse paths. The UK Supreme Court decided in 2021 that Uber drivers are "workers" and thus are entitled to benefits like minimum pay and paid holidays³³¹. Likewise, Spain's Rider Law redefined delivery workers as employees, with improved labor protections³³². Conversely, the U.S. has a primarily contractor-driven model, although California's AB5 law sought to reclassify some gig workers as employees, prompting court battles³³³. These legal differences underscore the intricacy in governing gig work while harmonizing business mobility and labor rights.

CHALLENGES FACED BY GIG WORKERS :

The gig economy has reshaped labor markets, providing alternative earnings opportunities at the same time as posing economic and social challenges to workers. While gig work is providing flexibility and a job to millions, it tends to lack stability and security compared to traditional employment.

Income Insecurity and Lack of Benefits

Income insecurity is arguably one of the most urgent issues for gig workers. Because gig workers are usually compensated on a per-task or service basis, their income varies with demand, platform rules, and competition. Unlike salaried workers, gig workers lack monthly stable incomes, which hinders planning. In

³²⁷ The Code on Social Security, 2020, section 2(35), No. 36, Acts of Parliament, 2020 (India).

³²⁸ The Code on Social Security, 2020, Section 2(61), No. 36, Acts of Parliament, 2020 (India).

³²⁹ Internal Revenue Serv., Independent Contractor (Self-Employed) or Employee?, <https://www.irs.gov/businesses/small-businesses-self-employed/independent-contractor-self-employed-or-employee>.

³³⁰ U.S. Dep't of Labor, Misclassification of Employees as Independent Contractors Under the Fair Labor Standards Act, <https://www.dol.gov/agencies/whd/flsa/misclassification>.

³³¹ Uber BV v. Aslam, [2021] UKSC 5, <https://www.supremecourt.uk/cases/uksc-2019-0029.html>.

³³² Spain's Riders Law: New Regulation on Digital Platform Work, European Agency for Safety & Health at Work, https://osha.europa.eu/sites/default/files/2022-01/Spain_Riders_Law_new_regulation_digital_platform_work.pdf.

³³³ How to Give Gig Economy Workers More Rights, Fin. Times (Nov. 15, 2024), <https://www.ft.com/content/b17da54b-5b95-45ce-8852-0141fc610be>.

addition, platforms continuously modify compensation structures without worker consultation, lowering per-task compensation and intensifying work burden³³⁴.

Lack of employment worsens the state of affairs. Regular employees have health insurance, pension contributions, and paid leaves, but the gig workers need to pay these on their own. Gig workers in most countries, including India, are exempt from social security benefits, rendering them exposed when they fall ill, get hurt, or the economy goes bad. Governments in some countries have rolled out some protection in partial measures, i.e., schemes for insurance covering gig workers, but these coverages are weak in extent.

Algorithmic Control and Power Discrepancy Between Platforms and Workers

Although termed "independent," gig workers are frequently controlled by algorithms. Online platforms employ algorithms to allocate tasks, determine prices, and track worker performance, frequently without disclosure. Workers have minimal input in these algorithmic decisions, resulting in unstable earnings and job uncertainty. For instance, ride-hailing drivers can experience abrupt fare cuts, and food delivery couriers can be punished for poor customer ratings, even when events outside their control—like traffic or restaurant delays—influence their performance.

This establishes a huge power disparity between workers and platforms. Gig workers have minimal negotiating leverage to bargain for higher pay or improved working conditions. Because the majority of platforms act as oligopolies or monopolies, workers have few other sources of employment, making them more reliant on platform decisions. As a result, some worker movements and legal challenges have arisen to ensure greater transparency, equitable pay, and labor rights. Without robust

legal protection, however, gig workers still endure economic uncertainty and exploitation in the workplace.

As the gig economy expands, it is essential to tackle these issues in order to develop a just and sustainable labor landscape. Governments, companies, and workers' organizations need to collaborate to provide gig workers with proper protections while maintaining the advantages of flexible work arrangements.

THE CONCEPT OF COLLECTIVE BARGAINING :

Collective bargaining is a process in which employees, most often through trade unions, bargain with employers on the terms of employment like pay, benefits, working conditions, and safety in the workplace. Collective bargaining is an important vehicle for fair treatment and safeguarding employees against discriminatory decisions by employers. The International Labour Organization (ILO) views collective bargaining as a human labor right that promotes economic justice, social equity, and industrial peace.

In the classic workplace environment, collective bargaining serves to secure good wages, social security benefits, and resolution of labor disputes. Through binding contracts, unions can negotiate multi-year agreements that establish economic stability for workers. Collective bargaining has historically been the catalyst for enhancing work conditions in manufacturing, public service, and the construction industries.

BARRIERS TO COLLECTIVE BARGAINING FOR GIG WORKERS :

Denial of Employee Status Under Labor Laws

The main difficulty faced by gig workers is their status as independent contractors, thereby denying them regular labor protections. Gig platforms claim that their workers have freedom and autonomy and hence do not require collective bargaining. In practice, however, platform algorithms set wages, allocate work, and even suspend workers without explanation, making it a power

³³⁴ Kimberly Palmer, Gig Workers Left High and Dry When It Comes to Benefits, NerdWallet (Feb. 23, 2023), <https://www.nerdwallet.com/article/finance/gig-workers-left-high-and-dry-when-it-comes-to-benefits>.

imbalance in which gig workers are subject to arbitrary treatment³³⁵.

As workers without employee status, gig employees are excluded from the right to organize legally established unions, a right that should allow them to negotiate collectively³³⁶. This legal absence of coverage vastly diminishes their bargaining power compared to traditional laborers.

Algorithmic Management and Opaque Decision-Making

Gig platforms function through algorithmic management, where machines allocate work, set prices, and measure performance. These opaque decision-making processes establish a lack of transparency for gig workers, preventing them from negotiating equitable wages or contesting unjustified terminations. Because platforms do not reveal how pay structures are established, workers have minimal knowledge of the determinants of their income³³⁷.

Moreover, gig workers work in geographically scattered areas, which complicates organizing. In contrast to factory or office workers who see each other every day, gig workers do not share a common physical space, limiting the chances of unionization and collective action.

Antitrust Laws Treating Collective Action as Price-Fixing

Another major legal obstacle is competition laws, which prohibit independent contractors from unionizing. Because gig workers are recognized legally as independent entrepreneurs, collective action by them would be regarded as collusion or price-fixing and is therefore illegal under antitrust law.

Independent Contractors Are Not Able to Unionize: Competition laws in most countries make it impossible for self-employed individuals to jointly fix prices. When gig workers require a minimum wage rate, the platforms could plead that such behavior is anti-competitive.

Example in the United States: The Federal Trade Commission (FTC) has decreed that gig workers as independent contractors and are not allowed to bargain collectively without infringing on anti-trust laws. This limits their capacity to negotiate higher wages.

Absence of Common Physical Workspace :

Traditional unions are based on tangible workplaces where laborers can congregate, complain, and organize collective action. Gig workers are, however, in dispersed, isolated settings that make union organization challenging. While factory laborers share a workspace, gig workers communicate mainly via apps, lowering the level of collective action opportunities.

Moreover, gig platforms have high worker turnover, recruiting continuously new workers, which hinders the development of long-term solidarity among workers. Most gig workers are also ignorant of their legal rights, further constraining them from advocating for collective bargaining. To overcome these obstacles, digital organizing platforms—like online forums for workers and unions in apps—could be created to help mobilize gig workers and empower their collective voice.

EXISTING LABOR LAWS IN INDIA AND THEIR APPLICABILITY :

A number of labor laws in India cover employment rights, but their applicability to gig workers is uncertain because gig workers are treated as independent contractors and not as employees. The most important laws applicable to collective bargaining are:

1. The Trade Unions Act, 1926

The Trade Unions Act, 1926, gives the statutory basis for the formation of trade unions by

³³⁵ Gig Workers and Code on Social Security, 2020, STUDYIQ (Jan. 2021), <https://www.studyiq.com/articles/gig-workers-and-code-on-social-security-2020/>.

³³⁶ Dr. Meghabahen N. Nayak, Collective Bargaining and Worker Rights in the Gig Economy: Navigating the Legal Landscape, 11 Int'l J. Res. Soc. Sci. & Mgmt. Lang. 58 (2023), https://www.raijmr.com/ijrsm/ wp-content/uploads/2023/10/IJRSML_2023_vol11_issue_06_Eng_12.pdf.

³³⁷ Int'l Labour Org., Digital Labour Platforms and the Future of Work: Towards Decent Work in the Online World (2018), https://www.ilo.org/sites/default/files/wcmsp5/groups/public/@ed_protect/@protrav/@travail/documents/publication/wcms_624286.pdf.

workers and collective bargaining. The Act enables workers to register the unions, bargain over employment conditions, and represent the members in disputes. Nevertheless, the Act mostly applies to employees in a formal employer-employee relationship.

Section 2(h) of the Trade Unions Act, 1926, defines a "Trade Union" as:

"Any combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers, or between workmen and workmen, or between employers and employers, or for imposing restrictive conditions on the conduct of any trade or business, and includes any federation of two or more Trade Unions³³⁸."

Relevance to Gig Workers: Given that gig workers are defined as independent contractors and not employees, they are beyond the purview of the Trade Unions Act. This exclusion in law denies gig workers the opportunity to legally form unions, restricting their capacity to participate in collective bargaining.

Attempts at Organizing: Despite this limitation, informal gig worker unions have emerged, such as the Indian Federation of App-Based Transport Workers (IFAT), which advocates for ride-hailing drivers' rights, but their legal status remains ambiguous.

2. The Industrial Disputes Act, 1947

Industrial Disputes Act (IDA), 1947, regulates the settlement of conflicts between employees and employers and provides for mechanisms of collective bargaining, strikes, and arbitration. The Act provides a definition of "workmen" and confers rights of settlement of disputes, just wages, and employment security upon them.

Exclusion of Gig Workers: Because gig workers are not considered "workmen" within the

purview of the IDA, they are unable to raise industrial disputes or avail themselves of legal recourse under this act. This restricts them from challenging unfair labor practices by collective bargaining.

Section 2(s) of the Industrial Disputes Act, 1947, defines "workman" as:

"Any person employed in any industry to do any manual, unskilled, skilled, technical, operational, clerical, or supervisory work for hire or reward, whether the terms of employment be express or implied³³⁹."

Exclusions:

- Persons employed in managerial or administrative capacities.
- Persons employed in supervisory roles earning more than ₹10,000 per month.
- Members of the armed forces, police, and civil services.

Since gig workers are classified as independent contractors rather than employees, they do not fall within this definition and are therefore excluded from protections under the Industrial Disputes Act.

3. The Code on Social Security, 2020

The Code on Social Security, 2020

The Code on Social Security, 2020, is a major development in acknowledging gig workers in India's labor landscape. It separately defines gig and platform workers from regular employees and provides some social security benefits to them, including health insurance, accident insurance, and retirement schemes.

Restrictions on Collective Bargaining: Although the Code recognizes gig workers, it does not give them labor rights as employees, such as unionization or collective bargaining. This is still a major lacuna in the legal framework.

³³⁸ The Trade Unions Act, No. 16 of 1926, section 2(h) (India).

³³⁹ The Industrial Disputes Act, No. 14 of 1947, section 2(s) (India).

Government Initiatives: The Code recommends setting up welfare boards and social security schemes through contributions from gig platforms, but these do not tackle the root problem of collective worker representation.

4. The Code on Wages, 2019

The Code on Wages, 2019, formulates wage floor and payment guidelines for employees. But the code is doubtful regarding gig workers because they do not fall in the category of employees according to law.

Challenge in Wage Bargaining: Gig workers do not have statutory provisions to bargain good wages because platforms decide remunerations according to fluctuating price mechanisms instead of regular minimum wage standards.

Need for Policy Reforms: There have been calls for changes to bring gig workers under the wage code to provide a minimum income guarantee.

KEY JUDICIAL PRECEDENTS :

The rise of the gig economy in India has spawned a range of legal challenges for the rights of platform workers. Although there has not been any final Supreme Court judgment hitherto confirming the status of gig workers as employees, multiple judgments have contributed increasingly to constructing the narrative for their rights, notably on issues related to social security, proper compensation, and bargaining. Courts have now started grappling with legal uncertainties over the categorization of gig workers, challenging the level of control by platforms and stressing the need for regulatory change.

Indian Federation of App-Based Transport Workers (IFAT) v. Union of India (2021)

where the petitioners contended that gig workers must be defined as unorganized workers under the Code on Social Security, 2020. The IFAT, a group of app-based transport workers, requested protection of gig workers under the law to provide access to social

security benefits such as health insurance, provident funds, and maternity benefits.

The petition pointed out how firms such as Uber and Ola have great control over the schedules, fares, and customer interactions of workers, which effectively makes them employees rather than independent contractors. Although the case is still pending, it has drawn judicial notice to the uncertain nature of gig work and the necessity for legal clarity³⁴⁰.

SEVERAL INSTANCES OF JUDICIAL ACTIVISM IN RECOGNISING GIG WORKERS RIGHTS :

1. The Delhi and Karnataka High Courts took cognisance of these petitions and called for a response from the government and businesses on the position of gig workers under minimum wage legislation. Courts have asked whether platform companies, in determining delivery fees, inflicting penalties, and dictating working hours using algorithmic management, thereby act as employers and not just aggregators. While no final judgment has been handed down, the cases strengthened the argument that gig workers do not have autonomy and need labor protections.
2. The Rajasthan High Court also suo motu cognizance of the gig workers' conditions, instructing the state government to review legal safeguards extended to them. This judicial activism contributed to Rajasthan being the first Indian state to table the Platform-Based Gig Workers Welfare Bill, 2023, which seeks to extend social security benefits to gig workers. The intervention of the court indicated an increasing judicial recognition of the vulnerabilities that gig workers were exposed to and the

³⁴⁰ Indian Fed'n of App-Based Transp. Workers v. Union of India, Writ Petition (Civil) No. 1099 of 2021 (India).

necessity for legislative action to protect their rights³⁴¹.

Although Indian courts have not yet delivered a definitive judgment in favor of giving full employee status to gig workers, these court precedents reflect a change in the legal mindset. As gig worker rights continue to be litigated in courts, court judgments in the future can become instrumental in determining the direction of labor law reforms as well as ensuring fair treatment to millions of gig workers across India.

POLICY MEASURES TO STRENGTHEN COLLECTIVE BARGAINING RIGHTS :

Legal Reforms to Establish Gig Workers as Workers

One of the main barriers to collective bargaining for gig workers is their status as independent contractors instead of employees, which denies them basic labor rights. Enlarging current labor laws to cover gig workers as part of the formal sector is crucial for extending legal protection to them. Nations such as Spain and Canada have come up with the notion of "dependent contractors" a juridical category midway between independent workers and employees and a recognition of the special nature of gig work while providing protection against minimum wages, social security benefits, and the right to collective bargaining. India might adopt analogous legal changes by amending such labor codes as the Code on Social Security, 2020, and the Code on Wages, 2019, to specifically include gig workers within their ambit. Accepting gig workers as part of an intermediate category would enable them to enjoy bargaining rights without necessarily being declared full-time employees, thereby finding a balance between flexibility and protection of workers.

Alternative Models of Worker Representation

In light of the obstacles facing conventional unionization in the gig economy, there are emerging alternative models of worker representation. Platform cooperatives, in which workers democratically own and control gig work platforms, represent an alternative to corporate-owned gig platforms, guaranteeing equitable remuneration and democratic decision-making. There have been successful experiments in worker-owned gig platforms in countries like the United States and the UK, including driver cooperatives that offer ride-hailing services without the exploitative commission arrangements of the conventional gig companies. Another method is sectoral bargaining, in which collective agreements are bargained at the industry level as opposed to company by company. For example, in Denmark, food delivery gig workers have been able to obtain collective bargaining agreements in industry-wide negotiations, showing that sectoral bargaining can give meaningful protections to gig workers without lessening flexibility.

Strengthening Unionization and Worker Organizations

To enable gig workers to negotiate a fair wage and working conditions, more robust worker organizations and unions need to be legally recognized and supported. Most gig workers try to organize but are opposed by anti-union policies within platforms that discourage collaborative effort. Governments can enact legal provisions specifically acknowledging gig worker unions, enabling them to negotiate with platform companies without penalty under anti-trust legislation, which presently deems collective action by independent contractors as "price-fixing." Governments can also offer financial and policy incentives for worker associations, including funding digital infrastructure for gig worker unions and requiring platforms to participate in good-faith

³⁴¹ The Rajasthan Platform Based Gig Workers (Registration and Welfare) Act, No. 29 of 2023 (India), https://prsindia.org/files/bills_acts/acts_states/rajasthan/2023/Act29of2023Rajasthan.pdf.

negotiations³⁴². Certain nations, such as Spain, have already started recognizing app-based workers' unions and compelling platforms to bargain with them, a precedent India can follow.

Transparency and Accountability in Platform Work

One of the biggest challenges in collective bargaining for gig workers is that algorithmic decision-making is opaque. Platform firms tend to unilaterally decide on pay models, work assignments, and deactivation policies using opaque algorithms, leaving workers with minimal options. To counter this, algorithmic fairness legislation must be introduced to obligate platforms to make their wage-determination processes public, offer transparency into job assignment, and provide clear appeal processes for worker firings. The European Union's Platform Work Directive has moved in this manner by obliging platforms to make algorithmic management choice disclosures that impact workers. India may implement similar steps with the aim of making gig workers more aware of the systems through which their wages and working conditions are decided, thus making them more powerful in negotiations.

CONCLUSION :

The swift growth of the gig economy has reshaped conventional employment arrangements, posing both benefits and challenges for workers. Even as gig work brings about flexibility and autonomy, it also places workers at risk of income uncertainty, social protection deprivation, and weak bargaining power. The lack of formal protection under labor laws and the status of gig workers as independent contractors deny them the exercise of collective bargaining rights, exposing them to abusive working conditions. With the rise of platform-based work, it has become a pressing policy issue to ensure fair

compensation, job security, and social protection for gig workers.

A multi-pronged approach is needed to address these issues. Legislative changes need to include gig workers in labor legislation, giving them access to basic rights like collective bargaining. Other models like platform cooperatives and sectoral bargaining can give space for worker representation while maintaining flexibility. Improving digital worker organizations and legal recognition of gig worker unions can also help them negotiate more effectively. Moreover, algorithmic transparency legislation is necessary to avoid the one-sided domination of gig workers' livelihoods by inscrutable platform policies. Government action, in the form of specialized regulatory agencies and compulsory social security entitlements, can bring much-needed relief and oversight to ensure gig workers are not left behind in the changing labor market.

A just and equitable gig economy will need to reconcile protections for workers with business ingenuity, making gig workers more than passive actors in a tech-mediated labor market but active participants with rights and voice. Through the implementation of forward-looking labor policies and fostering collective action, India can develop a sustainable and equitable gig economy that serves workers and platforms alike in the long term.

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³⁴² Collective Bargaining and Platform Work: Possibilities and Challenges, INTERNATIONAL LABOUR ORGANIZATION (Oct. 2021), <https://www.ilo.org>.

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