

SOCIAL SECURITY RIGHTS OF GIG WORKERS IN INDIA: MYTH OR REALITY?

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1. ABSTRACT

In today's India, the gig economy has become a common part of everyday life. From booking a ride to ordering food, gig workers play a crucial role in making services faster and more accessible. For many individuals, this kind of work provides flexibility and a way to earn a livelihood without being tied to a fixed schedule. But at the same time, it also raises an important concern—are these workers actually protected when things go wrong?

Most gig workers do not enjoy the kind of security that traditional employees receive. There is no guaranteed income, no paid leave, and often no support in cases of illness, accidents, or old age. Although the Code on Social Security, 2020 has recognised gig and platform workers and introduced the idea of welfare schemes for them, the real question is whether these benefits are truly reaching the people who need them.

This paper looks at the issue through the lens of “myth or reality.” It tries to understand whether social security for gig workers exists only in laws and policies, or whether it is something that workers can actually depend on in their daily lives. By examining both the legal framework and the real experiences of workers, the study brings out the gap between what is promised and what is delivered.

In the end, the paper suggests that social security for gig workers in India is neither completely a myth nor fully a reality. It is still developing, with laws in place but implementation lagging behind. Bridging this gap is essential to ensure that the people who support the gig economy are also supported in return.

2. INTRODUCTION :

In recent years, the way people work in India has been changing rapidly. With the rise of app-based platforms like ride-hailing and food delivery services, a large number of individuals are now working as gig workers—taking up flexible, short-term jobs instead of traditional full-time employment. For many, this kind of work offers convenience and quick income. But behind this flexibility lies a growing concern: the lack of basic social security.

Unlike regular employees, gig workers often do not receive benefits such as health insurance,

paid leave, maternity support, or retirement security. Their work is uncertain, their income can fluctuate daily, and in case of accidents or emergencies, they are often left to manage on their own. This raises an important question—are these workers truly protected under the law, or are they being left behind in the system?

The introduction of the Code on Social Security, 2020 was seen as a positive step, as it formally recognised gig and platform workers and promised welfare schemes for them. However, in practice, many of these benefits are yet to fully reach the workers. There seems to be a

gap between what the law promises and what workers actually experience in their daily lives.

This situation brings us to a critical debate: are social security rights for gig workers in India a reality that is gradually taking shape, or are they still more of a myth on paper? This study aims to explore that question by looking at both the legal framework and the real-life challenges faced by gig workers in India.

3. REVIEW OF LITERATURE

a. Social security code, 2020

Chapter I, Section 2(35) of the Code on Social Security, 2020 defines a gig worker as “a person who participates in a work arrangement and earns from such activities outside of a traditional employer–employee relationship.” The definition, however, lacks clarity as to who exactly a gig worker is, but it clearly separates the gig workers from regular employees and other non–employee classes of workers.

b. Author: Ivana Veljanovska

Gig workers are often self-employed or work through platforms that connect them with clients or customers. Think ride-share drivers, food delivery couriers, task-based app workers, and even creative professionals hired for one-off projects.

c. A gig worker is someone who performs short-term or project-based work, typically as an independent contractor rather than a full-time employee. These workers often use digital platforms, offering their services in exchange for payment on a per-task or per-project basis. From rideshare drivers on Uber and Lyft to freelancers offering digital services through Upwork, gig workers represent a growing part of today's labor market. Gig workers manage their own schedules, clients, and pricing. They usually don't receive benefits like health insurance, retirement plans, or paid leave like traditional employees might expect. Instead, they trade long-term commitment and stability for greater flexibility and independence.

4. OBJECTIVES OF THE STUDY

1. To understand the concept and nature of gig work in India
2. To examine the growth and emergence of the gig economy in India
3. To analyse the concept of social security in labour law
4. To study the legal framework governing gig workers in India
5. To evaluate the implementation of social security measures for gig workers
6. To identify the challenges faced by gig workers in accessing social security
7. To analyse the “Myth vs Reality” debate regarding social security rights
8. To suggest measures for improving social security protection for gig worker

5. BACKGROUND OF THE GIG ECONOMY IN INDIA

In India, earning through flexible or short-term work is not something entirely new. Long before digital platforms came into the picture, many people depended on daily wage labour, contract work, or informal jobs to make a living. What has changed in recent years is how this work is organised and accessed. With the spread of smartphones, cheaper internet, and app-based services, this traditional form of flexible work has transformed into what we now call the gig economy. The last decade has seen rapid growth in digital platforms that connect workers directly with customers. Whether it is booking a ride, ordering food, getting groceries delivered, or hiring someone for home services, these platforms have made it possible for people to find work quickly and earn on a task-by-task basis. For many individuals—especially young people, migrants moving to cities, and those who may not have access to formal employment—gig work has opened up new opportunities. It allows them to start earning with minimal entry barriers, without going through lengthy hiring processes or needing advanced qualifications.

Another important factor that contributed to the rise of the gig economy was the increasing demand for convenience in urban life. People began to rely more on on-demand services, which in turn increased the need for a large, flexible workforce. Gig workers became an essential link between service providers and consumers, often working long hours to meet this growing demand. The COVID-19 pandemic marked a turning point for the gig economy in India. As many traditional jobs were lost or disrupted, gig work became a crucial source of income for thousands of people. At the same time, lockdowns and safety concerns led to a surge in demand for delivery and online services. Gig workers were suddenly seen as essential, ensuring that people could access food, medicines, and other necessities during difficult times. However, this period also exposed their vulnerabilities, as many worked without adequate health protection, insurance, or financial security.

Even though the gig economy offers flexibility and independence, it also comes with significant challenges. Most gig workers are not treated as employees but as independent contractors. This means they usually do not receive benefits such as paid leave, job security, or social security protections. Their earnings can be uncertain, often depending on the number of tasks completed, customer ratings, and platform algorithms. In many cases, workers have limited bargaining power and little control over their working conditions.

Recognising these concerns, the government has taken steps such as introducing the Code on Social Security, 2020, which for the first time acknowledges gig and platform workers within a legal framework. While this is an important development, the actual impact of such measures is still evolving, and many workers have yet to experience real improvements in their conditions.

Today, the gig economy in India stands at a crucial stage. On one hand, it continues to grow and provide livelihoods to millions; on the other hand, it raises serious questions about fairness,

protection, and long-term security. This background highlights why it is important to examine whether social security for gig workers is truly becoming a reality or remains largely a promise on paper.

6. EMERGENCE OF GIG WORKERS IN INDIA

The emergence of gig workers in India is closely linked to the country's rapid digital and economic transformation. Over the past decade, the widespread use of smartphones, affordable internet access, and the growth of app-based platforms have changed how people find and perform work. These developments have created new opportunities for individuals to earn income outside the traditional structure of full-time employment.

Gig work began to gain visibility with the rise of platform-based services such as ride-hailing, food delivery, and online marketplaces. These platforms made it possible for individuals to register easily, start working quickly, and earn based on the number of tasks they complete. For many, especially young people entering the workforce, gig work became an attractive option because it required fewer formal qualifications and offered flexible working hours. Urbanisation and migration have also played an important role in this shift. As more people moved to cities in search of better opportunities, the demand for quick and accessible forms of employment increased. Gig platforms provided a convenient solution by allowing workers to earn immediately without going through complex hiring processes. This was particularly helpful for those who needed instant income or were unable to secure stable jobs in the formal sector.

The changing preferences of consumers further contributed to the growth of gig work. With busy lifestyles, people increasingly relied on on-demand services for transportation, food, and daily needs. This growing demand created a continuous need for a flexible workforce, leading to the expansion of gig opportunities across various sectors.

The COVID-19 pandemic accelerated the emergence of gig workers in a significant way.

As traditional employment opportunities declined during lockdowns, many individuals turned to gig work as an alternative source of income. At the same time, the demand for delivery and online services increased sharply, making gig workers essential to everyday life. However, this period also highlighted the risks they faced, including lack of job security and limited access to social protection.

Although the rise of gig workers has created new employment avenues, it has also brought challenges. Most gig workers are treated as independent contractors rather than employees, which means they often do not receive the benefits and protections associated with regular employment. This has led to growing discussions about the need for proper legal recognition and protection.

In response, India has taken steps such as introducing the Code on Social Security, 2020, which formally recognises gig and platform workers. Even so, the emergence of gig workers continues to be a developing story, shaped by technological growth, economic needs, and ongoing debates about workers' rights and protections.

7. RESEARCH PROBLEM: (SOCIAL SECURITY ON GIG WORKERS IS MYTH OR REALITY) :

- MYTH: SOCIAL SECURITY FOR GIG WORKERS EXISTS IN PRACTICE

Many people believe that gig workers in India are now protected because the law has started recognising them. With the introduction of the Code on Social Security, 2020, it appears that the government has taken steps to include gig and platform workers within the social security system. On paper, this law talks about welfare schemes such as insurance, health benefits, and financial support, which creates a sense that gig workers are no longer left out of labour protections.

This belief is further strengthened by the visibility of large digital platforms, where workers seem to be part of an organised system. Since these platforms operate through structured apps, ratings, and payment systems, it gives the impression that workers are working

under regulated conditions. Many assume that such organisation naturally includes safety nets and benefits similar to those provided in traditional jobs.

As a result, there is a general perception that the problem of social security for gig workers has already been addressed. People often think that once a law is passed, its benefits are automatically implemented and reach the workers without difficulty. This creates a “myth” that gig workers are adequately protected, even though this belief is based more on legal promises and assumptions than on actual ground realities.

- REALITY: LIMITED ACCESS AND WEAK IMPLEMENTATION

In contrast to this belief, the real situation faced by gig workers is quite different. Although laws like the Code on Social Security, 2020 recognise gig workers, the actual benefits promised under these laws are still not fully available in practice. Many welfare schemes are either not clearly implemented or are still in the early stages, making it difficult for workers to access them.

A major issue is the lack of awareness and clarity. Many gig workers do not know about the schemes they are entitled to, and even when they do, the process of registration and claiming benefits can be complicated. There is also uncertainty about how contributions are to be made by platforms and the government, which further delays the delivery of benefits.

Another important challenge is the way gig workers are classified. Since they are treated as independent contractors rather than employees, they are excluded from many basic labour rights such as minimum wages, paid leave, and job security. Their income depends on the number of tasks they complete, which can vary from day to day, making their financial situation unstable.

In real-life situations such as accidents, illness, or sudden loss of work, many gig workers do not have adequate support systems to rely on. This shows that, despite legal recognition, the protection they receive is still very limited. The gap between what is promised by law and what

is actually experienced by workers clearly highlights that social security for gig workers is still not fully realised and remains weak in practice.

8. CHARACTERISTICS OF GIG WORK

1. Flexibility in Work

One of the main features of gig work is flexibility. Workers can choose when, where, and how much they want to work. This allows them to balance work with personal responsibilities or take up multiple jobs at the same time.

2. Task-Based or Project-Based Payment

Gig workers are usually paid for each task or project they complete, rather than receiving a fixed monthly salary. Their earnings depend on the number of tasks performed, which can lead to income variation.

3. Use of Digital Platforms

Most gig work operates through online platforms or mobile applications. These platforms connect workers with customers, assign tasks, and handle payments, making technology a central element of gig work.

4. Lack of Traditional Employment Relationship

Gig workers are generally classified as independent contractors and not employees. Because of this, they do not enjoy benefits such as job security, paid leave, or retirement benefits.

5. Income Uncertainty

Since work availability can vary from day to day, gig workers often face uncertainty in their earnings. Factors such as demand, competition, and customer ratings can affect their income.

6. Limited Social Security

Gig workers usually do not have access to basic social security benefits like health insurance or pensions. Even though laws like the Code on Social Security, 2020 recognise them, the actual benefits are still developing.

7. Performance-Based Evaluation

Workers are often rated by customers, and these ratings can directly affect their chances of getting future work. This creates pressure to maintain high performance at all times.

8. Multiple Work Opportunities

Many gig workers engage in more than one platform or type of work simultaneously. This allows them to increase their earnings but also adds to workload and stress.

9. TYPES OF GIG WORKERS

1) Independent Contractor

The term most commonly used for gig workers is “independent contractor.” These individuals are not employees of a company but are hired to complete specific tasks or projects for a limited period. Once the assigned work is completed, the working relationship usually ends. Since they are not formally employed, independent contractors do not receive benefits such as health insurance or paid leave. They are also responsible for managing their own taxes, including self-employment tax.

2) Self-Employed Worker

Gig workers are also often described as self-employed individuals. This means they work on their own rather than under a traditional employer. They take full responsibility for their work, earnings, and expenses. There is no formal employer–employee relationship, and they must manage everything independently, including finances and tax obligations. In many cases, self-employed workers are treated similarly to independent contractors.

3) Platform Worker

Platform workers are those who find and perform work through digital applications or online platforms. These platforms connect workers with customers who require services. Some workers may have general skills that allow them to work across multiple platforms, while others may have specialised skills that limit them to a specific platform. This type of work is highly dependent on technology and digital access.

4) Freelancer

Freelancers usually work directly with clients or companies on specific projects. They are given clear tasks along with agreed timelines and payment terms, often through a contract. Freelancers manage their own billing, taxes, and work schedules. They typically possess

specialised skills and rely on building a strong professional network to secure future opportunities. In addition to their work, they are also responsible for maintaining their personal brand and business presence.

5) Temporary Worker

Temporary workers are engaged for a fixed period and their work automatically ends after that duration. They occupy a position somewhere between formal employees and gig workers. A common example is seasonal workers who are hired during busy periods, such as festivals or holidays, and are released once the demand decreases.

6) Side Gig Worker

A side gig refers to additional work that a person does alongside their main source of income. Many individuals take up such work to earn extra money. These workers may already have a full-time job or other forms of employment but choose to engage in gig work during their free time. For them, gig work is not the primary source of income but a supplementary one.

10. SUGGESTIONS AND RECOMMENDATIONS

1. Strengthening the Legal Framework

Although the Code on Social Security, 2020 recognises gig workers, the law needs clearer and more detailed provisions. There should be specific rules on how benefits are to be provided, who is responsible, and how workers can claim them. Clear guidelines will reduce confusion and make the law more effective.

2. Proper Implementation of Welfare Schemes

One of the main issues is not the absence of laws, but weak implementation. The government must ensure that welfare schemes are actually put into practice. This includes creating simple and accessible systems for registration, contribution, and benefit distribution so that workers can easily avail themselves of these schemes.

3. Defining Employment Status Clearly

There is a need to clearly define the legal status of gig workers. At present, they are treated as independent contractors, which limits their

rights. A balanced approach should be developed where gig workers can retain flexibility while also receiving basic protections similar to employees.

4. Mandatory Contribution by Platforms

Digital platforms that depend on gig workers should share responsibility for their welfare. There should be a clear system requiring platforms to contribute to social security funds. This will ensure that the burden does not fall entirely on workers or the government.

5. Increasing Awareness Among Workers

Many gig workers are not aware of their rights or the schemes available to them. Awareness campaigns, workshops, and digital information systems should be introduced to educate workers about their entitlements and how to access them.

6. Simplifying Registration and Access

The process of registering for social security schemes should be simple and user-friendly. Complicated procedures discourage workers from enrolling. A single digital platform or portal can be created to make access easier and more efficient.

7. Ensuring Minimum Income Security

Since gig workers face income uncertainty, steps should be taken to ensure a basic level of income security. This can include minimum payment standards or safeguards against unfair deductions by platforms.

8. Providing Accident and Health Insurance

Immediate priority should be given to ensuring that all gig workers have access to accident and health insurance. Since many gig jobs involve physical risk, this is essential for their safety and well-being.

9. Encouraging Collective Representation

Gig workers should be encouraged to form unions or associations. This will give them a stronger voice to negotiate better conditions and demand fair treatment from platforms and policymakers.

10. Continuous Monitoring and Policy Updates

The gig economy is constantly evolving, so laws and policies should be regularly reviewed and updated. Continuous monitoring will help identify gaps and ensure that protections remain relevant.

11. CONCLUSION

The rise of the gig economy in India has changed the way people work and earn a living. It has created new opportunities for many, especially those who may not have access to traditional employment. At the same time, it has also exposed a major gap in the system—while work has become more flexible, security has not kept pace. This makes the question of social security for gig workers both relevant and urgent.

Through this study, it becomes clear that India has taken an important first step by recognising gig workers under the Code on Social Security, 2020. This recognition shows that the issue is no longer ignored and that there is a willingness to extend protection to this growing workforce. However, recognition alone is not enough. The real challenge lies in ensuring that the benefits promised by law actually reach the workers in their everyday lives.

The gap between policy and practice continues to be a major concern. Many gig workers still face unstable incomes, lack of basic protections, and uncertainty during times of crisis. The absence of clear implementation mechanisms, combined with limited awareness and weak enforcement, means that social security often remains out of reach. In this sense, it cannot be said that social security for gig workers is fully a reality.

At the same time, it would not be entirely accurate to call it a complete myth either. The presence of legal provisions and ongoing policy discussions indicate that the system is gradually evolving. Social security for gig workers in India is currently in a transitional phase—somewhere between promise and practice.

In conclusion, the study finds that social security for gig workers is neither fully realised nor entirely absent. It exists as a developing framework that requires stronger implementation, clearer policies, and greater accountability. Only when these changes are effectively carried out can social security move beyond being a promise on paper and become a true reality for gig workers in India.