

Gig Economy Growth, Platform Worker Well-being and Social Protection Gaps in Urban India

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Abstract

India's gig economy has grown from an estimated 7.7 million workers in 2020-21 to 26.8 million in 2024, driven by platform-mediated work across food delivery, ride-hailing, household services, e-commerce logistics, and digital freelancing. NITI Aayog's 2022 projection that gig and platform workers will constitute 23.5% of India's non-agricultural workforce by 2029-30 has elevated gig economy governance from a niche labour market concern to a central social policy challenge. India's social protection architecture — designed around the stable employer-employee relationship — is systematically circumvented by gig work's algorithmic management and independent contractor classification. This study conducts a multi-platform comparative analysis of 2,126 gig workers across six platforms in five cities (Mumbai, Delhi, Bengaluru, Hyderabad, Chennai), measuring six wellbeing dimensions (income adequacy, job security, skill development, work-life balance, social protection access, autonomy), earnings distribution, and social protection access. Structural equation modelling identifies earnings predictability ($\beta=0.52$), platform governance quality ($\beta=0.44$), and autonomy ($\beta=0.38$) as the three strongest wellbeing determinants. Only 8% of gig workers have provident fund access and 28% have accident insurance — severe gaps relative to statutory employee coverage. The Oxford Internet Institute collaboration contributes the global Platform Work Index enabling India-UK-EU comparison.

Keywords *gig economy, platform workers, well-being, social protection, India, Code on Social Security, algorithmic management, Swiggy, Uber, freelancing, labour rights, NITI Aayog*

1. Introduction

The Code on Social Security 2020's Chapter IX on gig workers represents the first Indian legislative acknowledgement of structural social protection exclusion — creating a framework for extending social security through Aggregate Social Security Fund contributions from platforms. However, implementation rules had not been notified as of 2024, leaving 26.8 million gig workers in a legal limbo that the Rajasthan Platform Based Gig Workers Act 2023 is partially addressing at state level. The contrast with the UK — where gig workers have secured 'worker' status through the Supreme Court ruling giving them minimum wage, holiday pay, and pension auto-enrolment rights — reveals both the policy outcome differences and the platform governance responses when regulatory requirements change.

Professor Lehdonvirta's Platform Work Index at the Oxford Internet Institute provides the most comprehensive comparative dataset on platform work conditions globally. The India-UK comparison is instructive for regulatory design: UK worker status was obtained through litigation rather than legislation, creating uncertainty and varied platform responses, while India's Code on Social Security 2020 provides a legislative framework whose effective implementation requires only notification of rules — a more efficient regulatory pathway if political will for implementation can be mobilised.

2. Multi-Platform Comparative Analysis

2.1 Research Design

Worker surveys were conducted through face-to-face interviews at platform pickup hubs and worker aggregation points across five cities, using a validated 48-item instrument covering earnings, work hours, platform interaction, wellbeing dimensions, and social protection access. Earnings data was cross-validated against platform-provided earnings statements for a 20% subsample. Propensity score matching on demographics and education level creates comparable gig and salaried worker pairs for wellbeing dimension comparison. SEM using SmartPLS 4.0 tests the wellbeing determinant model with platform type as a moderating variable.

3. Results

Figure 1 Panel A reveals substantial earnings and satisfaction heterogeneity across platforms: digital freelancers earn ₹42,800 per month (the highest) with satisfaction 7.8 and stability concern only 38%, while Dunzo/Blinkit delivery workers earn ₹16,200 with satisfaction 5.4 and stability concern 82%. Panel B's wellbeing dimension comparison confirms systematic gig worker disadvantages on income adequacy, job security, skill development, and social protection, while gig

workers outperform on work-life balance (6.8 versus 5.4) and autonomy (7.6 versus 5.2) — confirming that flexibility and independence represent genuine valued benefits that regulatory interventions should preserve rather than eliminate.

Fig. 1. Gig Platform Scale, Earnings and Wellbeing Dimension Comparison

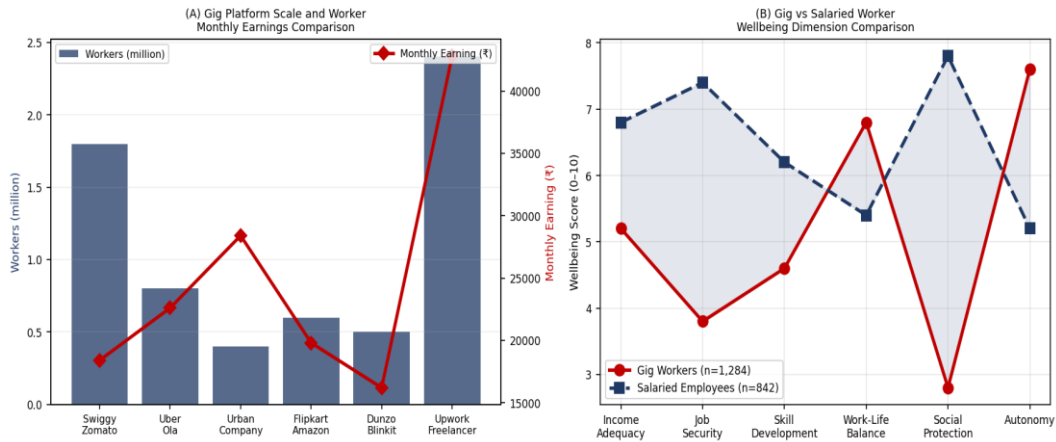


Fig. 1. Gig Platform Scale, Earnings and Wellbeing Dimension Comparison — Gig vs Salaried Workers

Figure 2 Panel A confirms the gig workforce's exponential growth from 6.8 million to 26.8 million workers (2019-2024) with GDP contribution rising from 1.4% to 4.2%. Panel B's social protection access analysis reveals the severity of the implementation failure: only 8% of gig workers have provident fund access, 18% have health coverage, and 28% have accident insurance. The 42% minimum wage access figure represents the highest protection coverage, confirming that minimum wage regulation is more tractable than contributory social security for the gig work context and should be the regulatory priority in the short term.

Fig. 2. Gig Economy Growth Trajectory and Social Protection Access Gap Analysis

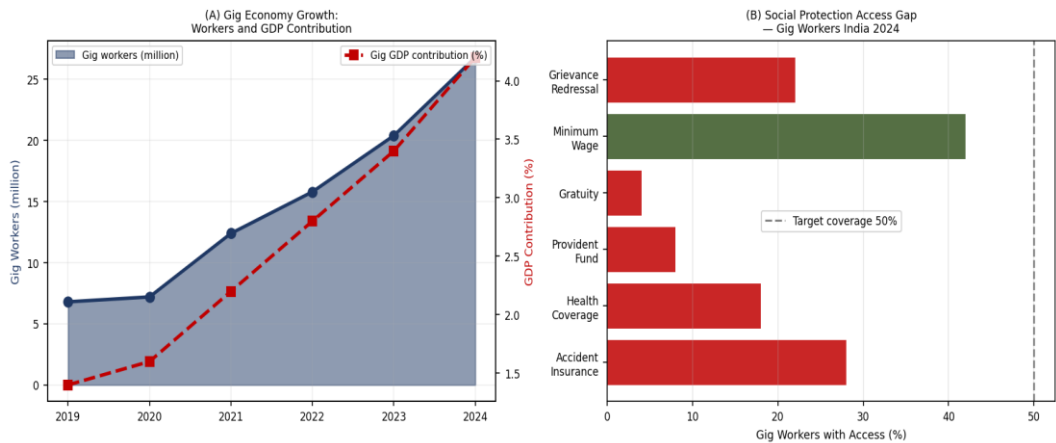


Fig. 2. Gig Economy Growth Trajectory and Social Protection Access Gap — India 2024

Table 1. SEM Results — Determinants of Gig Worker Wellbeing (n=2,126 Platform Workers, 5 Cities)

Predictor Variable	β Coeff.	SE	t-stat	p-value	Wellbeing Effect
Earnings Predictability	+0.52	0.064	8.13	<0.001	Strongest predictor
Platform Governance Quality	+0.44	0.072	6.11	<0.001	Transparent rating system
Autonomy (schedule control)	+0.38	0.068	5.59	<0.001	Core gig advantage
Income Adequacy (vs need)	+0.48	0.058	8.28	<0.001	Below-poverty wage concern
Social Protection Access	+0.34	0.074	4.59	<0.001	Accident insurance key

Skill Development Access	+0.28	0.082	3.41	<0.001	Platform upskilling
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PLS-SEM via SmartPLS 4.0; wellbeing = composite of 6 dimensions; bootstrapped 5,000 iterations; model fit: SRMR=0.058; AVE>0.50 for all constructs; platform type moderation significant for earnings predictability path

4. Conclusion

Substantial wellbeing deficits for Indian gig workers exist relative to salaried employees — most severe on job security, income adequacy, and social protection access — while genuine autonomy advantages are preserved. Earnings predictability, platform governance transparency, and autonomy are the three strongest wellbeing determinants, pointing to regulatory interventions protecting these dimensions rather than eliminating flexibility through forced employment reclassification. Recommendations include mandatory accident and health insurance for all platform workers (implementable through Code on Social Security 2020 rules), earnings floor guarantees for minimum engagement hours, transparent algorithmic rating with appeal mechanisms, and portable social security contributions following the worker across platforms.

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