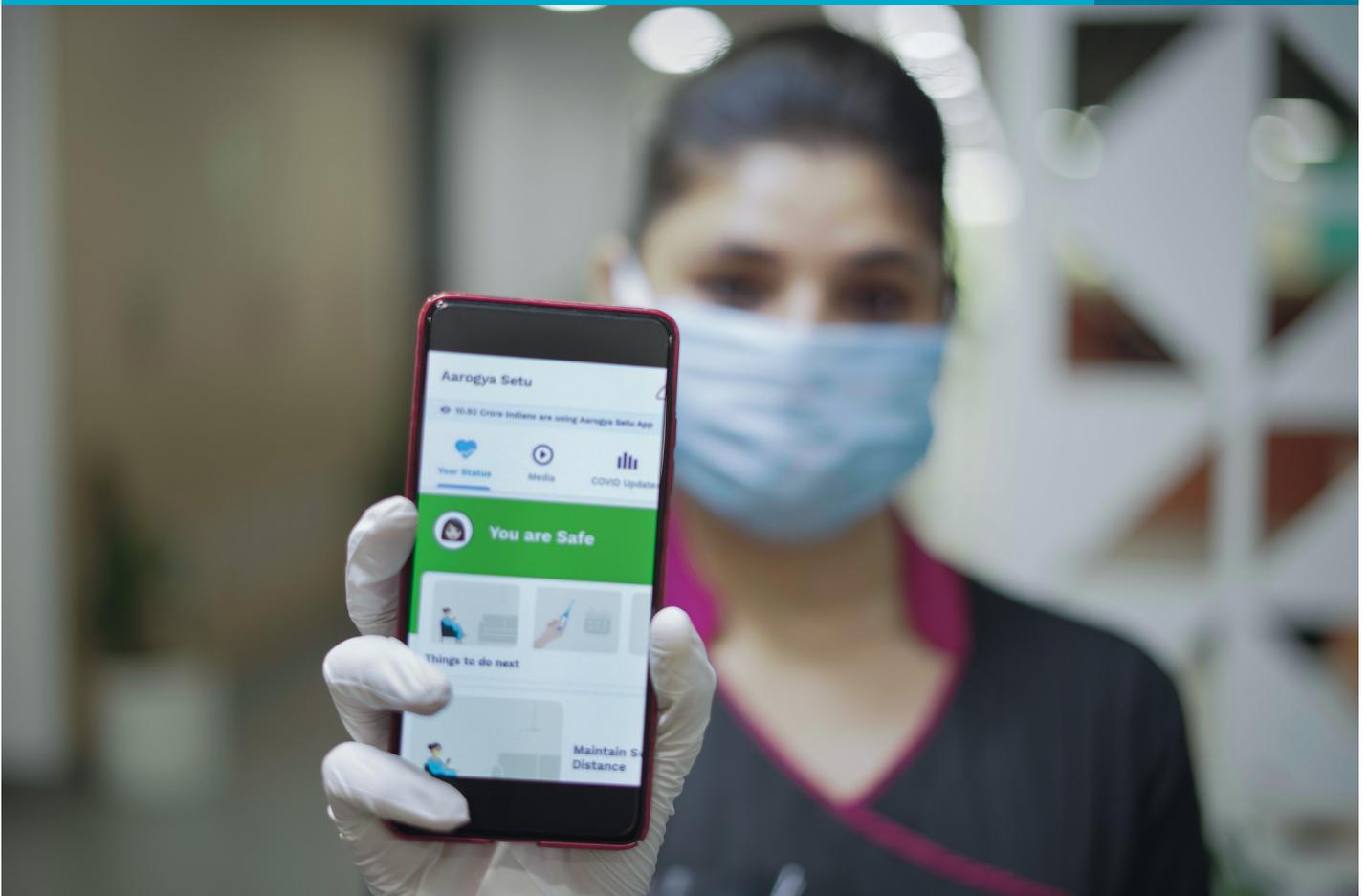


Gig Study: Summary and Recommendations



SUMMARY

Technology-driven gig economy has been around for a couple of decades in advanced countries, it only became a buzzword in India in the last couple of years, with proliferation of media reports on its prominent emergence and expansion. The extraordinary growth of India's gig/platform economy can be attributed to the emergence of 'on-demand' digital platforms in the country, with more than 300 new platforms being set up in the country over the last five years. As a result, concept of work is changing and so is the future of work and production. India has one of the lowest female labour force participation rate in the South Asian region (24.5 per cent¹). Multiple explanations, such as lack of suitable employment opportunities in the vicinity, rising household incomes, rise in educational attainment of girls and women, and socio-cultural norms, have been advanced towards explaining this low participation. In this context, digital labour platforms have been regarded as a prospective avenue for increasing women's participation. The rapidly expanding gig economy of India may help mitigate some of the barriers women face, by enabling flexi-work² and allowing women to access new forms of employment opportunities. However, workers in the gig economy also face various constraints and challenges; including issues of security and safety, regular income, and near absence of social protection mechanisms, which contribute to their vulnerabilities.

¹This rate is for women aged 15 years and above, Periodic Labour Force Survey Estimates, 2018-19.

²Greater flexibility helps in balancing care duties with paid work.

INTRODUCTION

'Gig economy' refers to labour markets characterised by independent contracting which happens through digital platforms. Since 2010, the gig economy has received much popularity and academic attention to study its extraordinary rate of growth and also to comprehend how the gig economy is impacting the participation of people. Gig work is non-traditional work, which falls outside the boundary of traditional, and standard/conventional forms³ of employment relations. Non-traditional workforce is comprised of workers who are hired to complete a particular task or for a certain length of time, in which work tends to be project-based or temporary⁴. As opposed to 'employees' of the platform company, these workers are referred to as 'independent contractors', 'self-employed', or 'freelancers'. This new arrangement of work is disrupting well-defined structures and leading to severe commodification of work by redefining labour relations, impacting working conditions, and the organisation of work itself as well as that of workplaces.

Available literature suggests that since gig workers do not have any standard employee contract, and also have limited or no access to labour protection/social protection, it exposes them to a number of challenges, such as failing to maintain regular income and facing a poor working environment. Besides, gig workers are unable to unionise and have low bargaining power, which makes them more vulnerable in the long run (Woodcock and Graham, 2019; Graham and Woodcock, 2018; ILO, 2018; De Stefano, 2015).

The gig economy is largely an urban phenomenon in India, and the flexible nature of gig-based work has attracted millennials, including women. Uber, Ola, Urban Company, Zomato, Swiggy are the quintessential employers of gig workforce in India. While women are increasingly participating in the gig economy, however, new opportunities have been highly gendered. Women take up highly segmented 'women's' jobs⁵; which remain restricted to female-dominated work in traditional segments such as domestic work, care work, beauty and wellness.

METHODOLOGY

There are two main types of gig/platform work: 'crowdwork' and 'work-on-demand' via app, and both have differing skill requirements⁷. AMT, crowdflower and clickworker are some of the prominent crowdsourcing platforms, and engage online labour for performing micro-tasks, and such labour is known as freelancers. On the other hand, 'work-on-demand via app' deals with the physical gig economy, wherein activities are executed locally, but channeled online⁸. These workers are known as independent contractors/partners/or micro-entrepreneurs.

Physical gig economy has been flourishing in India, and women are participating in large numbers. However, the size of the gig economy is unknown as there is no credible formal data to assess the extent of gig jobs created in India. IWWAGE undertook a primary study of women service providers of Urban Company⁹ (a leading service platform of India), who are concentrated in the beauty and wellness segment. The overarching objective of the study was to investigate: these workers' experiences, and the constraints they face,

³ Traditional workforce usually has a long-term employer-employee relationship, in which the worker is earning a salary or a wage payment, and also receives certain benefits, and is covered under minimum wage and anti-discriminatory laws.

⁴ Such work arrangements are often called alternative or non-standard work arrangements, and include temp agency work, freelancing, self-employment, and subcontracted work.

⁵ Segmented women's and men's jobs involve different skills and attributes.

⁶ Report by PwC (Workforce of the future: The competing forces shaping 2030) clearly indicates that the low-paid, less skilled work dominates India's gig-economy indicating a transition of the workforce into these newly altered informal labour practices, where aggregator companies play a big role in further informalising the processes.

⁷ Most of the available literature has focused largely on 'crowdwork', and where the physical gig economy is concerned, has suffered from an 'Uber-bias'.

⁸ 'On-demand' labour platforms offer many in-person services, from child care, ride-hailing to food delivery.

⁹ Urban Company is one of the largest home services start-up, and employs more than 25000 professionals. Beauty and wellness is its most lucrative segment.

including issues of security, flexibility, labour processes and pay/conditions, and to assess the impact on women’s empowerment and agency. We adopted a threefold approach¹⁰ for doing this. We interviewed workers¹¹, who were approached through the platform directly¹². We interviewed platform managers for evidence. And we also interviewed domain experts, to gain insights into similar forms of platform work.

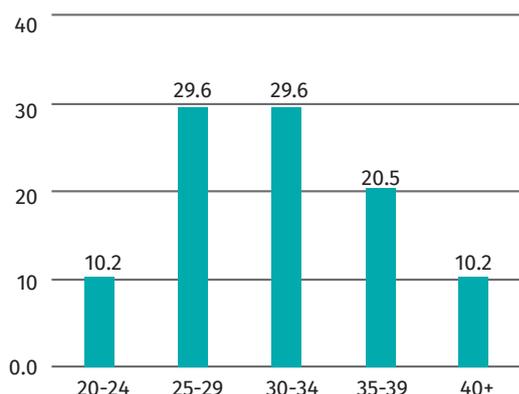
MAJOR FINDINGS

Millennials are driving the gig economy: Our survey findings reveal that majority of respondents belonged to the age group of 25-34 years, with an average age of 31 years. 80 per cent of the sampled women were married, with children. And majority of the sample was non-migrant i.e. belonged to Delhi and Mumbai. 72 per cent respondents had passed high school, and 21 per cent had attended college (see figure 1).

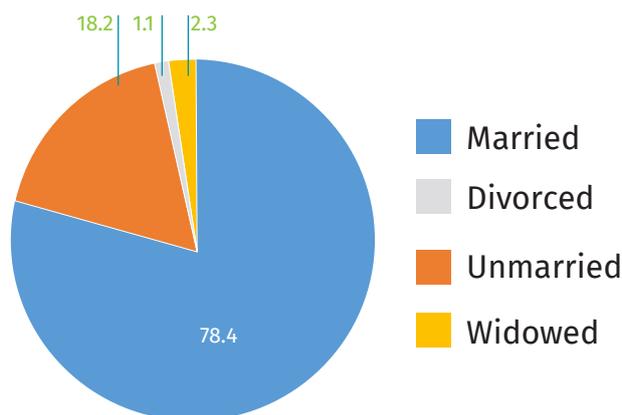
Flexi-time is the most attractive feature: 85 per cent respondents were satisfied with flexible timings, and considered it the most attractive feature of gig work, along

Figure 1: Demographic particulars of respondents

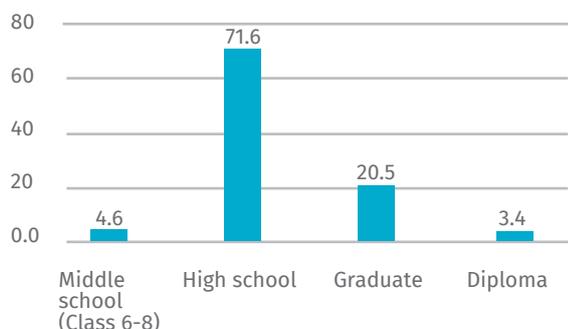
Age distribution of service providers



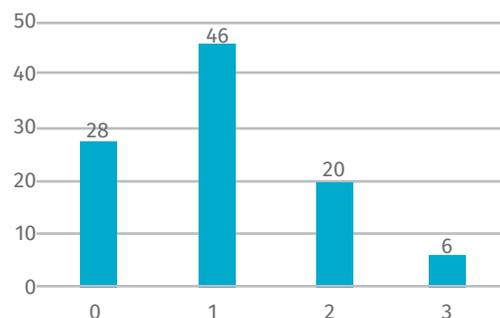
Marital status of respondents



Educational attainment of respondents



% Women with number of children aged (0-14) years



¹⁰ Workers were interviewed using detailed structured questionnaire, and Focus Group Discussions, and domain experts and platform managers’ responses were collected using Key Informant interviews.

¹¹ We collected information from 88 service providers across Delhi and Mumbai.

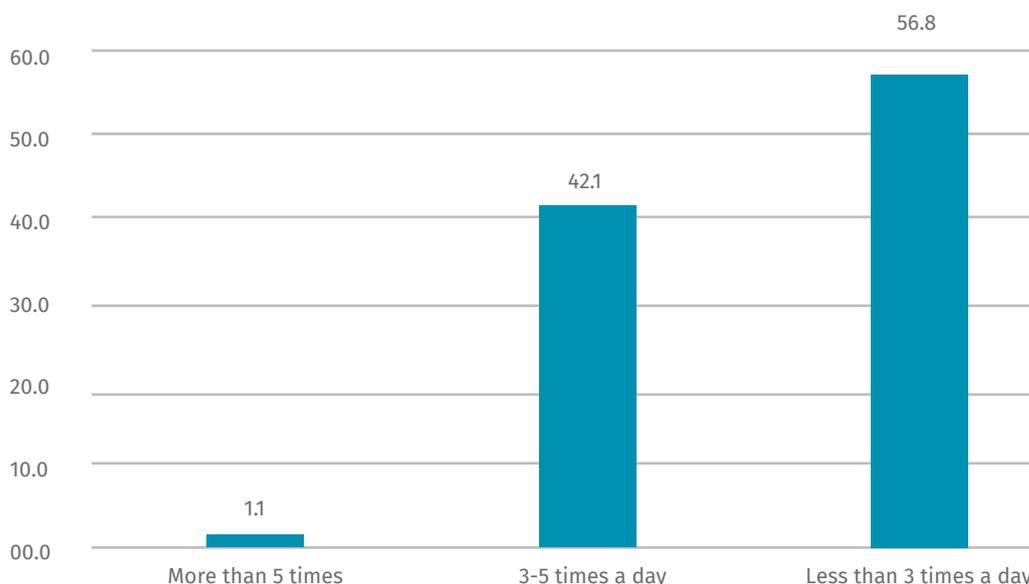
¹² The selection of participants was not random and this may have induced a selection bias.

with the earning potential. Gig economy offered these women the flexibility to manage their work-life balance, and provided an important opportunity for income and gainful employment in 'alternative work' arrangements.

Women are breadwinners for their families: Gig work was the primary source of family income for 60 per cent of our respondents. These women were crucial economic actors and provided critical financial support to their families.

Women gain financial independence: Women reported their average daily earnings to be about Rs. 1552; they were able to earn between Rs. 35000- Rs. 40000 monthly. Though the earnings are significantly higher in comparison to a salon job, increasing competition and changes in incentive structure have put downward pressure on the net earnings. According to a service partner of the Urban Company, "I could save 60 per cent of the gross income, while 40 per cent was spent on paying the commission, buying inputs and travel, but now I'm only able to save 30 per cent of what I make". 42 per cent respondents serviced between 3 to 5 calls each day. And 57 per cent serviced less than 3 calls¹³ (See figure 2).

Figure 2: Number of service calls completed by the service partners per day



Social networks play a crucial role: Informal social networks are important for entering the gig space. Our survey findings reveal that 74 per cent of our respondents landed in their current jobs by leveraging referrals from their personal networks of friends, families, neighbours.

Comprehensive recruitment process: Survey findings and Focus Group Discussions (FGDs) suggested that each professional undergoes multiple levels of screenings in the recruitment process, and induction training of 10 days is mandatory for all. According to one official of the Urban Company, "Partners are trained to do everything from packing and unpacking the Urban Company kit bags, to navigating the platform smoothly using their mobile phones, and client interface".

¹³ Each call involves multiple services.

Women's empowerment and increased autonomy: Our survey findings revealed that gig economy provides economically empowering avenues. As a result, women gain financial independence, and enjoy a higher status and improved decision-making power within the family.

Challenges faced by service providers: While it is true that gig workers have benefited and are able to reap advantages of this flexible work arrangement, however, they also encounter challenges. By and large, there are no safety nets for gig workers¹⁴. Urban Company's service providers are also not entitled to any other benefits, except medical insurance. In fact, as revealed by our analysis, service providers are most discontented with maternity benefits, and the incentive and increment system¹⁵ (see figure 3). 53 per cent of the respondents shared they were subjected to penalties for declining jobs, sometimes, even when the cancellation is done by the customer. Women also reported on not having adequate forums for dispute settlements vis-à-vis the Urban Company customers, where in most cases, service professionals responded to be dissatisfied with the treatment meted out by both the aggregator company and its customers. Control over service providers' labour is exerted via automated ratings and review mechanisms, which permit the platform to exclude poor performers. FGDs participants shared their concerns towards ratings being an unfair measure of their performance. They said "90 per cent of the customers do not give a reason for low ratings."

Policy recommendations

- More empirical evidence is needed to inform policy and action, and to fully comprehend how gig work fits into the broader labour market, to perceive women's experiences with the gig economy, and also to understand barriers in accessing platform work. Identifying best practices and high-impact measures adopted in different platforms across different countries is critical for boosting women's participation in the gig workforce. While the gig economy offers choice of work and financial independence to women, it is also fraught with numerous challenges related to lack of access to social safety nets/benefits, lack of effective bargaining power and freedom of association, increased competition, etc. Policy makers and platform owners must ensure that these workers are provided adequate labour and social protection, and are accorded fundamental rights of freedom of association and collective bargaining.
- The gig economy is transforming gender and social relations, but women are still over-represented in traditional sectors of employment. Therefore, breaking stereotypes and creating non-traditional forms of work for women is an urgent policy need.
- Skills-based programs for gig workers should be strengthened to make them future ready, and skill development must adopt a life-long learning approach. Such measures can help women workers to consider mobility into better avenues of employment.
- Adequate measures should be in place to look into complaints related to various aspects of work, including abuses, harassment, and other practices of the platform. Training programs, including discussions on labour rights and anti-harassment policy of the platform, should be mandatory for all platform workers.
- There should be a move towards written contract agreements, which clearly outline all

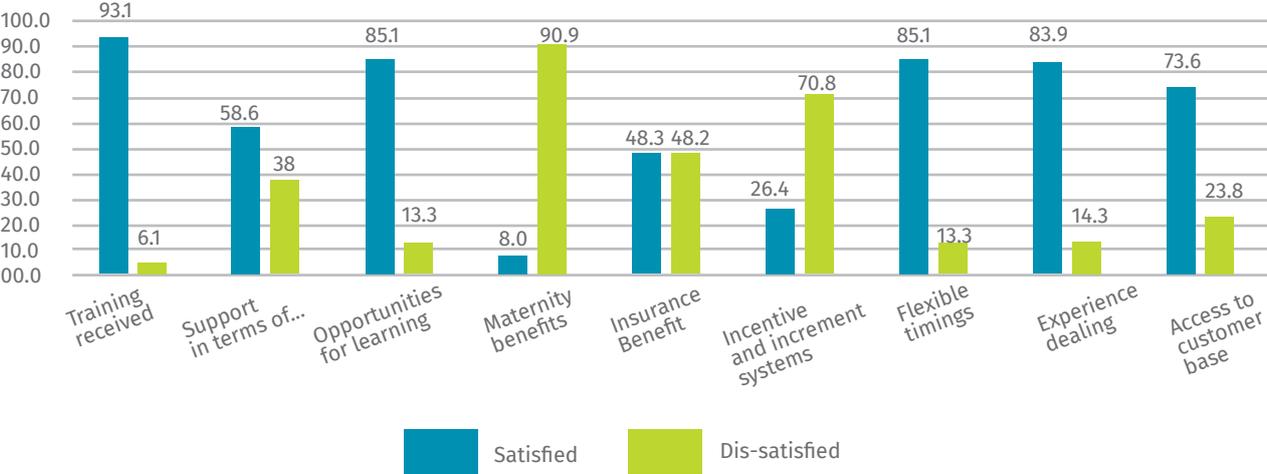
¹⁴ The COVID-19 pandemic has exposed the vulnerabilities of gig workers, as these workers lost earnings since there was no demand in the lockdown period. Similarly, other epidemics, natural calamities and other disasters could have extremely adverse impacts on these workers, given that there are no insurance products covering such calamities, and these workers have few protections like guaranteed wages, sick pay and health care, which are benefits that are critical in a crisis situation.

¹⁵ Access to benefits, safety, increased and consistent earnings, increasing competition, lack of effective bargaining power are pronounced as some of the major challenges.

the terms and conditions of work between the platform and the gig worker, as opposed to verbal agreements.

- Gig economy is largely an urban phenomenon in India so far; however, it holds significant potential for expansion in rural areas. To make it more inclusive, it is critical to reduce gender gaps in mobile ownership and internet usage. Improving women’s digital literacy for fostering their equitable participation in the gig economy is a pressing need. Tailor-made training on basic digital skills could be a game-changer, and help capture workers at ‘source’.
- Since gender equality and women’s economic empowerment are key policy priorities of India, the gig economy could be viable in creating decent and productive employment avenues and improving well-being for women.

Figure 3: Level of satisfaction with regards to different parameters



- COVID-19, however, has exposed the fragile situation of gig workers, who have lost earnings due to lack of demand in the lockdown period. Relief measures announced by the government largely excluded such workers, as there is little recognition of gig partners as ‘workers’; they mostly work in informal arrangements. Thus, policy pathways for ensuring robust social protection and job security are critical for ensuring a post-pandemic future for India’s gig workers.

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