

Social Dialogue as a Tool to Redefine the Conditions of Gig Workers

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Abstract

Effective social dialogue mechanism can serve as a bridge between workers, platforms, and govt. agencies. By fostering social dialogue, combating gender bias and actively involving the govt. in the process, we can work towards a more inclusive and equitable gig economy that benefits everyone, regardless of their gender or background.

Social dialogue is a valuable tool for improving the situation of gig workers. However, it is important to effectively regulate the gig economy without hindering its flexibility and innovation, which is complicated as many of the issues of gig economy are similar to that of unorganised sector and there is a thin line between differentiating gig and unorganised workers. But if implemented effectively with collaborative solutions from all the stakeholders, social dialogue can help to address the challenges and opportunities that the Gig economy presents for all.

Key words: Gig Economy, Workers, Employment Status, Social Dialogue, Mutual Collaboration

Introduction

There has been a raging discussion about gig workers and their working conditions globally. But only a very few remotely know about gig economy. The 21st century globalisation has redefined the world of work, from being integrated with regularity, stability and security to irregular and flexible gig based jobs.

Gig Economy:

The gig economy is a term that refers to a new way of working involving short term and temporary tasks carried by independent contractors and freelancers rather than fulltime and permanent employees, often using digital platforms to connect with customers. Simply it is outside of traditional work. The gig workers earn their incomes in whole or in part from short term contracts under which they are paid for individual jobs or tasks. In India gig economy has been growing rapidly and showing its potential since COVID 19. Gig economy is in between organised and unorganised sectors, as it is transforming the unorganised sector by providing opportunities for income generation and skill development. It also offers flexibility and independence which doesn't exist in organised sector to a large extent. For instance, gig workers can choose their own working hours, platforms, rates and diversify their income sources. Businesses can also access a large

pool of talent at a reduced labour and overhead costs and scale up or down the businesses according to demand. But gig economy also poses challenges like low wages, exploitation by the platforms, lack of social security, etc. So, it is crucial to revamp the state of gig workers.

And social dialogue is the best way to do it so.

Social Dialogue:

It is a process of communication and negotiation between different actors in the world of work, such as governments, employers, workers and their organizations. The parties involve in social dialogue with a goal to influence various practices and policies to facilitate joint outcomes in a peaceful and harmonious way, which will be sustainable for a longer period. According to ILO social dialogue can involve “mere exchange of information, negotiation, consultation and collective bargaining”.

Forms of social dialogue:

The forms of social dialogue in gig economy are not well established or institutionalized, as gig workers often face legal and practical barriers to organize and represent themselves. However, some examples of social dialogue initiatives in the gig economy are:

- **Collective bargaining arrangements:** These are contracts negotiated between workers and employers or platforms that regulate the terms & conditions of work, such as wages, hours, benefits and dispute resolution mechanisms. For example, in Germany, the trade union “Vendi” and the platform “Helpling” reached a collective agreement in 2019 that set minimum wages and social security contributions for domestic workers.
- **Codes of conduct:** These are voluntary guidelines or principles that platforms or workers adopt to ensure fair and ethical practices, such as transparency, accountability and quality standards. For example, the platform “Mila” and the trade union “Unia” signed a code of conduct in 2018 that defined the rights and responsibilities of the platforms, workers, customers.
- **Dispute resolution mechanism:** These are processes or procedures that workers or platforms use to resolve conflicts or complaints, such as arbitration, mediation or ombudsman. For example, in the UK, the platform “Hermes” and the trade union GMB agreed to establish an independent arbitration service in 2019 that would handle grievances and appeals of the workers.
- **Certification schemes:** These are systems or programs that platforms or workers use to certify or verify their compliance with certain standards or criteria, such as quality, safety, or sustainability. For example, in Greece, the platform “WorkAround” and the trade union “SEPE” launched a certification scheme in 2019 that awarded a quality label to the platforms and workers that met the requirements of decent work.
- **Platform cooperatives:** These are platforms that are owned and governed by the workers themselves, rather than by external investors or managers. They aim to democratize the decision making and distribution of the platform’s value and benefits. For example, in the UK, the platform “Fairmondo” is a cooperative that operates as an online marketplace for ethical and sustainable products and services.

Significance of the study:

The gig economy is a growing phenomenon that offers flexible and on demand work opportunities for millions of workers around the world. The gig economy has become more important in the current scenario due to various factors such as:

- Rise of the internet and mobile technology.

- The economic liberalization policies of the Indian govt.
- The increasing demand for flexible work arrangements.
- The demographic factors, such as large and growing number of young, educated and ambitious Indians who are seeking to improve their livelihoods with side income generations.
- The growth of e-commerce.

However, gig workers often face precarious and exploitative working conditions, such as low wages, long hours, lack of social protection, and violation of labour rights. These problems are aggravated by the lack of legal recognition and representation of gig workers, who are typically classified as independent contractors rather than employees. As a result, gig workers are excluded from the benefits of collective bargaining and social dialogue, which are essential mechanisms for improving the quality of work and ensuring decent work for all.

However, the existing literature on social dialogue and gig economy is limited and fragmented. In this article we will try to bring most of the data related to social dialogue in gig economy to one place.

Research Gap:

- Empirical evidence on the effectiveness and impact of social dialogue initiatives in the gig economy.
- Gender analysis on how the gig economy impacts the representation and participation of women gig workers in social dialogue.
- Study on how different institutional and regulatory frameworks affect the opportunities and challenges for social dialogue in gig economy.

The research aims to fill these gaps and contribute to advancement of knowledge and practice on social dialogue in gig economy.

Statement of the Problem:

In the rapidly evolving landscape of the gig economy, a pressing concern revolves around the rights and bargaining power of gig workers. The numerous challenges include:

- Define and classify gig workers and their employment status.
- The difficulty of identifying and reaching out to gig workers, who are often dispersed, isolated and invisible.
- The monotony of platforms, who often set the employment terms and conditions and can terminate a worker without due process.
- Varying legal and regulatory framework for a diverse gig workforce, who might be from various sectors and jobs, may have different interests, needs and opinions.

Therefore, this problem statement seeks to address the complexity of legal, economic and social factors that impact the rights and bargaining power of gig workers.

Moreover, it highlights the need for effective social dialogue. In a gig economy, traditional employer-employee relations are often replaced by fragmented, app-based work arrangements, the traditional mechanisms of labour negotiations and collective bargaining are challenged. The lack of structured platform for gig workers to engage in social dialogue with platforms, clients and policymakers compounds the issue. This situation makes it imperative to examine how social dialogue can be adapted to this dynamic labour market and how it can empower gig workers to have a say in their working conditions, compensation and access to social protection.

Objectives of the study:

This article aims to understand the key issues, explore potential solutions and advocate for equitable and sustainable working conditions within the gig economy, emphasizing the vital role of social dialogue in safeguarding the rights and bargaining power of gig workers

Some of the objectives are:

- Identify key challenges and needs faced by gig workers, such as job insecurity, lack of benefits and limited access to social safety needs.
- Examine the existing legal frameworks, employment classification, and social protections affecting gig workers.
- Investigate the effectiveness of current social dialogue mechanisms in the gig economy, including workers associations, online platforms and government initiatives.
- Provide recommendations for improving social dialogue mechanisms in gig economy.
- Advocate for inclusive policies that consider the diverse nature of gig work, including different sectors and types of gig work.
- Ultimately, promote a gig economy that is characterized by fairness, sustainability, and respect for the rights and dignity of all workers involved.

So, the research is expected to provide valuable insights and recommendations for policy makers, practitioners, researchers and others who are interested or involved in social dialogue and gig economy. The research is also expected to enhance the understanding and awareness of challenges and opportunities of the gig economy for decent work and social justice.

Methodology:

The research will adopt a mixed-methods approach, combining quantitative and qualitative data collection and analysis methods. The research will mostly be confined secondary data from existing sources, such as reports, articles, surveys, or databases.

Statistical Data:

The gig economy is rapidly growing and especially prevalent in India, where it is transforming the unorganised sector.

- According to a report by Boston Consulting Group and Michael & Susan Dell Foundation, India has about 24mn gig workers as of 2020, and this number is expected to grow to 90mn by 2028.

The statistical data of the gig economy and gig workforce can vary depending on the sources, definitions, and methods used. However, some of the available data are as follows:

- Global level: According to a report by Mastercard, the global gig economy reached 4.5 trillion USD in 2019, with an annual growth rate of 17%. The report also estimated that there were 162mn gig workers globally in 2019, accounting for 10% of the global workforce. The report classified gig economy into four segments:
 - Transport (50% of revenue)
 - Professional services(23%)
 - Goods provision (15%)
 - Personal services (12%)

Globally, more than half of gig jobs are driven by demand for low skilled, low-wage work. Only around 30% of them require specialized skills and expertise.

- National level: According to a report by NITI Ayog , the gig economy in India can serve up to 90mn jobs in the non-farm sectors, with a potential to add 1.25% to the GDP over the long term. The report also estimated that there were 23mn gig workers in India in 2020, up from 2.52 in 2012. The report identified three types of gig workers in India:
 - Non-platform based (56% of the gig workforce)
 - Platform based (29%)
 - Hybrid workers (15%)

An estimated 56% of new employment in India is being generated by the gig companies. Global Gig Economy Index report has ranked India among the top 10 countries. India constitutes about 40% of freelance jobs offered globally.

- Sector wise or industry wise:
 - Retail trade and sales: This sector occupied around 39% of gig workers in India in the financial year 2020. The average monthly income of gig workers in this sector was 15,000/-
 - Transportation: This sector employed about 13lakh gig workers in India in 2020, mainly raid hailing and delivery services. The average monthly income was 18,000/-
 - Manufacturing: This sector involved about 6.2 lakh workers (2020). The average monthly income was 12,000/-
 - Finance and Insurance: This sector engaged about 6.3 lakh gig workers in India (2020). The average monthly income was 20,000/-.

Strategies for Effective Social Dialogue:

It is necessary to adopt innovative and collaborative solutions to overcome various challenges and to enable effective social dialogue in the gig economy. Some of the strategies that gig workers are using or can use to promote effective social dialogue are:

- Constructing customized approaches, legal and regulatory frameworks that are suitable for everchanging and diverse gig economy.
- Developing new forms and channels of social dialogue that are ideal for the context of gig economy like, connecting through online platforms and networks.
- Establishing terms and conditions of work through mutual collaboration of both employers and employees.
- The scope of social dialogue should be expanded to broader aspects like data privacy, social security, health and insurance, etc., not just limited to wages.
- Building mutual trust through information sharing and consulting on specific issues and create a sense of community and identity and belongingness among gig workers.
- Leveraging the influence and support of various external actors such as, civil society organizations, media and collaborating with other workers unions.
- Training and educating gig workers and imparting them with knowledge regarding their rights and opportunities.

These strategies can result in various outcomes that can benefit both workers and employers along with consumers and society at large, like by improving labour standards for gig workers and providing social security schemes, enhancing productivity, boosting economic growth and etc.

In addition to these strategies, it is also important to consider the role of govt. in facilitating social dialogue in gig economy.

Role of Government:

- Creating a stable political and civil climate that enables autonomous employers and workers organizations to work freely, without fear of reprisal. (respecting the principles of freedom of association by ILO)
- Providing information, guidance, mediation, or arbitration services, as well as institutional support and legal recognition for social dialogue actors and outcomes. (creation of an enabling environment for sound bipartite and tripartite social dialogue)
- Developing legal and policy frameworks that can extend and improve the rights and benefits of gig workers, such as recognizing them as employees or workers, ensuring minimum pay and standards, providing health insurance and pension schemes, etc. by consulting with various stakeholders to ensure that the regulations are balanced, coherent, and adaptable to the changing needs of the gig economy.
- Promoting decent work and social justice in the gig economy by fostering innovation and regulation. Supporting and encouraging platforms or employers that respect the rights and interests of gig workers, such as by adhering to the fair work principles, providing decent wages and benefits, or engaging in social dialogue with workers or trade unions.

Government Initiatives:

In India the government supports the gig workers through various schemes and services like:

- “The Code on Social Security, 2020,” part of it, which provides social security benefits, life and disability cover, etc., for which the platform aggregators have to contribute a part of their annual business to the fund maintained by the central government.
- “Pradhan Mantri Shram Yogi Maandhan (PMSYM)” scheme, launched in 2019, is a pension scheme for unorganised workers, including gig workers between 18 to 40 years age with income below a specified limit. (below 15000/- monthly)
- “The Occupational Safety, Health and Working Conditions code (OSH)” passed along with Social Security code in 2020, covers interstate migrant workers who may be part of gig economy providing with registration, journey allowances, helpline, etc.
- “The Code of Conduct for Online Intermediaries in India” developed in 2019 by the Indian Staffing Federation (ISF) in collaboration with platforms to promote ethical practices in Online staffing industry by setting some guidelines on quality, transparency, safety and grievance redressal.
- Along with these policies the Ministry of Labour and Employment has launched various online portals, mobile apps and helplines to address the grievances of workers such as:
 - “The e-shram portal”, which was launched in August 2021, to register unorganised and gig workers on a national database and provide them with various social security schemes and welfare benefits.
 - “The Umang app, launched in November 2017, gives access to various govt. schemes and welfare services like NPS, EPFO, ESIC, etc. for gig workers.
 - “The Shram Suvidha portal, launched in 2014, allows workers to file complaints related to violation of labour laws, unfair wages, etc.
 - “15100”- the helpline number for Central Industrial Relations Machinery (CIRM), headed by Chief Labour Commissioner (CLC), enables the workers to lodge complaints related to labour issues.

These are some initiatives taken by the government of India for effective social dialogue mechanism in gig economy and the welfare of gig workers. However, the effectiveness of social dialogue in gig economy may depend on various factors like addressing the major issues faced by the gig workers, considering and consulting with all the actors involved, whether the results are sustainable or not.

Problems and prospective in practicing these legislations:

- The lack of reliable and comprehensive data on the size, composition, and characteristics of the gig workforce, which makes it difficult to design and monitor policies that are suitable and effective for different segments of gig workers
- The complexity and diversity of the gig economy, which involves multiple and varied platforms, sectors, occupations, skills, and contractual arrangements, which may require different or customized approaches and regulations.
- The resistance or reluctance of some platforms or employers to comply with the policies or to share info or cooperate with the authorities, which may undermine the enforcement and accountability of the policies.
- The potential trade-offs or conflicts between the interests and preferences of different stakeholders, such as platforms, workers, customers, regulators, and intermediaries, which may require balancing innovation and regulation, flexibility and security, efficiency and equity.
- The coordination and harmonization of policies across different levels of government, such as central, state, and local, as well as across different ministries or departments, such as labour, finance, commerce, etc., which may have different or overlapping jurisdictions or mandates

Finally, most of the policies and schemes of the government are general and common to the unorganised sector and gig workers are integrated with in it. But now it is the time govt. made some policies that are specific to the gig workers though, describing social dialogue in gig economy is not straightforward and easy.

Also, the government must conduct awareness programmes among gig workers and common citizens regarding the rights and powers of gig workers from regional level.

Women in Gig Economy:

Another major concern for the gig economy is its lack of representation of women workers compared to other sectors and no proper guidelines and policy framework for the protection and safety of women workers. The data on women workforce in the gig economy and their condition are not very consistent or comprehensive.

- Although there is no large-scale data available, it is estimated that 20 to 30% of the independent contractors, consultants and workers in the gig economy are women. However, women often face prejudice, job insecurity, and sexual harassment from their employers.
- Women gig workers often make much less money and face poorer working conditions and less favorable contracts than their male counterparts. They also struggle to balance their care responsibilities, gender norms and safety & security concerns with their work availability and performance.

Some examples of gender bias in the gig economy are:

- Women gig workers often face discrimination and harassment from clients, platforms and other workers, due to the lack of legal protection. For, example women food delivery drivers reported being sexually harassed by customers, restaurant staff, and fellow drivers.

- Women gig workers often face barriers to access and participate in the gig economy, due to the gender norms and stereotypes that limit their choices and opportunities. For example, women may face social stigma or family pressure for working in non-traditional or public roles, or may lack the necessary skills or resources to access digital platforms.
- Gendered division of labour and the undervaluation of women's work. For instance, women are most likely to take on domestic roles such as cleaning and caring, which have lower pay and less recognition than transport and delivery services. (paid career services and unpaid care services).

Though majority of the platforms have measures for the safety of women like emergency button, but this mechanism doesn't ensure the safe exit.

The gig economy in India should be regulated and supported by the government and other stakeholders to ensure decent work and social protection and for women workers then only more number of women workers will be interested to enter this rapidly going economy.

Some possible strategies to address gender bias in the gig economy are:

- Extending labor laws, social security schemes, minimum wage policies to cover gig workers, as well as creating dispute resolution and grievance redressal systems.
- Promoting the collective voice and action of women gig workers through organizing, networking and bargaining. Supporting the formation and functioning of unions, cooperatives, associations, etc., that can advocate for the rights and interests of women gig workers.
- Providing digital literacy, vocational training, financial inclusion and entrepreneurship development programs that can help women gig workers improve their employability, productivity and income.
- Raising awareness and sensitization among clients, platforms, and other workers about the value and dignity of women's work, as well as challenging the discrimination and harassment that women gig workers face.
- Leveraging the potential of new technologies to create better opportunities for women in the gig economy. This include developing and using AI, blockchain, etc to improve the transparency, accountability, and efficiency of the platforms, as well as reduce the bias and violence that women workers encounter.

Some of the sectors that have more women gig workers are beauticians, personal grocery shopping, personal tutors, resident hosting, storage hosting, internet gig work.

Conclusion:

In conclusion, our research has shed light on the complex and multifaceted relationship between social dialogue, gender bias and government's role in the gig economy. The findings have highlighted the pressing need for greater inclusivity and equity within this rapidly growing sector. Gender bias persists in gig economy in various aspects, from pay differentials to job allocation, and addressing this issue is vital for fostering a fair environment. Social dialogue is a valuable tool for improving the situation of gig worker

Moreover, our analysis has stressed on the importance of government intervention and regulation in ensuring that the gig economy operates in a manner that benefits all participants. Policymakers play a pivotal role in safeguarding workers' protection, gender equality, and a more balanced distribution of power.

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