India's Emerging Gig Economy: Shaping the Future of Work for Women

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Introduction

India's booming gig economy is attracting millennials (including women) by offering alternative employment opportunities. However, literature on the gendered experience of gig work is scant. The gig economy assumes special significance for women workers, primarily because digital platforms have been regarded as a prospective avenue for enhancing women's participation in the labor market. India has been battling the challenge of low and declining women's labor force participation—it has one of the lowest rates in South Asia. In this context, India's rapidly expanding gig economy may serve to extenuate some of the barriers women face by affording them flexibility in meeting care obligations while participating in the workforce. Although women are increasingly participating in the new opportunities offered by the gig economy, most jobs remain restricted to traditionally female-dominated and low-wage sectors such as domestic work, care work, beauty, and wellness. Gig work is fraught with numerous challenges, ranging from lack of access to the digital economy to security and safety issues, which prevent women's full participation in this sector.

The Grim Reality of Women's Work in India

In 2018-19, the women's labor force participation rate (LFPR) in India was an abysmally low 24.5 percent, compared to 75.5 percent of men. Such a significant gender gap in the LFPR is one of India's most pressing challenges, and the coronavirus pandemic has made it worse. Women have been dropping out of the labor force continuously since

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1 The labor force participation rate is the percentage of the population that is either working or actively looking for work. In other words, LFPR is defined as the number of persons in the labor force (which includes both the employed and unemployed) per 100 persons. This rate is for women aged 15 years and above. Based on Periodic Labour Force Survey Estimates, 2018-19. The gender gap in participation is particularly large and has been widening in both rural and urban areas.

the mid-2000s, which has drawn much social and academic attention. This downward trend in women's LFPR is puzzling, as it was concurrent with high economic growth rates, declining fertility rates, and the rise in girls' and women's educational attainment. The low rate of women's participation does not mean that they are working less. Instead, it suggests that women perform a disproportionate amount of unpaid care work, and spend more time on it than men. Women's responsibility for domestic reproductive work limits their participation in the labor market. Once in the labor market, women still face limited opportunities—they tend to perform low-skilled and precarious jobs, are overrepresented in the informal economy (estimated at 92 percent), face structural and societal barriers, and have few learning and career advancement opportunities.

New Forms of Work: Gig and Platform Work

The technology-driven gig economy is booming in India. Its rapid growth can be attributed to the emergence and expansion of numerous “on-demand” digital platforms and other e-commerce and online retailing platforms. As a result, the concept of work is changing. The redefinition of labor relations is leading to severe commodification of work, impacting working conditions, the organization of work itself, and workplaces. In other words, this new arrangement is disrupting well-defined structures and changing the future of work and production. The gig economy grew massively during the COVID-19 shutdowns due to significant growth in online retail business. As a result, India has the largest number of gig workers or flexible staff, globally.

Gig work falls outside the boundaries of traditional, standard, or conventional forms of employment relations. The traditional workforce usually has a long-term employer-employee relationship, where the worker earns a salary or a wage payment, receives certain benefits, and is covered under minimum wage and anti-discriminatory laws. The gig workforce, on the other hand, is comprised of workers who are hired to complete a particular task or work for a certain length of time, in which work tends to be project/assignment-based or temporary. As opposed to being “employees” of the platform company, these workers are commonly referred to as “independent contractors,” “freelancers,” or “self-employed,” and working conditions are primarily regulated by each

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3 Women's participation rates declined from 34.1 per cent in 1999-00 to 27.2 percent in 2011-12.
5 Care work falls outside the traditional economic boundary of production, and therefore, women are not regarded as “economically active” for the purpose of the labor supply statistics.
8 Such work arrangements are often called alternative or non-standard work arrangements, and include temp agency work, freelancing, self-employment, and subcontracted work.
platform's terms of service agreements. There are two main types of platform work, namely “crowdwork,” for which tasks are performed online and remotely, and “work-on-demand via app,” location-based platforms, for which jobs are executed locally. Available literature notes profound differences in these work forms.  

Various studies also suggest that workers are exposed to several challenges whilst engaging in platform work, including a lack of access to decent labor and social protections. They fail to maintain a steady income and are generally faced with a poor working environment. Besides, gig workers cannot unionize and have low bargaining power, which adds to their vulnerabilities in the long run. In a recent report, the International Labour Organization (ILO) notes that gig workers’ working hours are long and unpredictable. They earn relatively low wages, and a significant gender pay gap exists on some platforms. The lack of access to social protection, freedom of association, and collective bargaining rights are long-standing challenges for gig workers, and COVID-19 has exacerbated many of these issues.

Women’s Place in India’s Gig Economy

India’s gig economy is mainly expanding and flourishing, beginning in major cities and spreading into towns. Uber, Ola, Amazon, Flipkart, Urban Company, Swiggy, and Zomato are the gig workforce’s most significant employers. Digital labor platforms are creating opportunities that did not exist before. Women are also increasingly participating in the gig economy due to the flexi-work arrangement and good earning potential. However, these newly available employment opportunities are incredibly gendered in

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9 Amazon Mechanical Turk, Clickworker and Crowdflower are examples of “crowdwork,” which connect individuals and organizations from all over the world through the internet. In contrast, activities like transportation, food delivery, other moving and delivery services, cleaning, beauty and other personal services, and household maintenance services are channeled through apps which are managed by platform companies like Uber, Lyft, Grab, Ola, Taskrabbit, Urban company, Zomato, etc., where activities are executed in the real world. These work forms are different in terms of how tasks are decided, completed and paid, the type of the assignments/tasks, and the ways in which fees and compensations are billed vary from platform to platform.


Women often end up working in traditional sectors such as domestic work, care work, beauty, and wellness. Women are finding employment as beauty and wellness service providers with big, multi-service aggregator platforms, such as Urban Company, Housejoy, and small-scale platforms, such as DoorTask, Unplan, and HeyDeedee. Though informal in nature, these jobs provide more flexibility than regular and salaried salon-based jobs, and women are better able to balance the realms of production and reproduction and cater to the needs of work and family. They may also prefer these jobs because of prevalent gender norms as well as safety and mobility issues.

No formal statistics are available on the number of gig jobs created so far or the number of gig workers working through several platforms in India. According to BetterPlace, a leading blue-collar recruitment and onboarding firm, the gig economy accounts for more than 1.4 million jobs in India, which include rideshare drivers, delivery workers, beauty and wellness workers, maintenance workers, and the like. According to the Oxford Internet Institute’s Fairwork Project, as of February 2020, three million gig workers were registered on eleven leading platforms in India. According to another estimate by staffing firm TeamLease, the gig economy is projected to employ half of the urban workforce by 2025 and eighty percent by 2030. Additionally, the total number of women in platform-based jobs increased by over seventy percent during 2018-19 (from 40,000 in 2018 to 67,900 in 2019). It is largely believed that the majority of these women work in beauty and wellness or care work, and they are underrepresented in delivery and ride-hailing sub-sectors of the gig economy. According to one study on beauty-work platforms, demand for platform workers is driven by the rise of an upwardly-mobile professional class in the country. This professional class employs informal workers as a

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parallel underclass to perform lateral services such as cleaning, security, beauty services, et cetera. The authors concluded that these platforms enable the “professionalization” and subsequent “commodification” of labor.\(^\text{19}\) Besides, there is also a significant gender pay gap between gig workers, with a bias against women. TeamLease estimated a gap of 8 to 10 percent in earnings between men and women digital platform workers in 2019.\(^\text{20}\) Moreover, women’s participation in the gig economy boom is constrained by limited access to digital services such as smartphones and mobile internet. As per the Mobile Gender Gap Report of 2020, women in India are 20 percent less likely than men to own mobile phones due to social and cultural reasons, and a mere 21 percent of women use mobile internet.\(^\text{21}\)

**Barriers and Issues Faced by Women in the Gig Space**

From our survey of experiences of women gig workers in the beauty segment of Urban Company, a leading platform company, we concluded that women have benefited and can reap the advantages of the flexible work arrangement, gain financial independence, and enjoy enhanced autonomy.\(^\text{22}\) Most women found this arrangement suitable as it took care of their household and other unpaid care responsibilities. However, this flexibility comes with the risk of not having a regular and stable monthly income. About 85 percent of the surveyed women joined gig work as it allows them flexibility in working hours. Women in urban areas bear a disproportionate burden of unpaid care work and domestic responsibilities due to nuclear family structures, so flexibility is an inviting factor for these women. On the other hand, respondents also shared their concern regarding unpredictable hours. Women who had no childcare support or other family members to look after their young children had to forgo service calls that demanded working at irregular hours.

Survey respondents worked for 37 hours per week on average and reported an average income of 1,552 Indian Rupees (INR) per day, contingent on the number of tasks performed (they could earn between INR 35,000-40,000 monthly). This was found to be significantly higher than a typical salon job, for which the average monthly income typically ranges between INR 8,000-10,000, with a relatively long working day of more than ten hours. Nearly sixty percent of our respondents were primary income-earners for their families. Surveyed women shared that they could earn more in this job because of


\(^{20}\) TeamLease Services, “Employment Outlook Report 2019.”


a flexi-work arrangement, which allowed them to combine their family responsibilities with paid work and contribute to their families’ economic welfare.

Still, these women also encountered multiple challenges while engaging in platform work. Workers faced critical issues relating to inadequate access to non-wage benefits, safety, labor and income security, upward mobility, increasing competition, inadequate bargaining power, and freedom of association. Besides, there is a near absence of safety nets for gig workers by and large. Survey findings noted that 92 percent of service providers were not entitled to any other benefits except health insurance. 81 percent of respondents were most dissatisfied with the unavailability of maternity benefits and 63 percent were most dissatisfied with the incentive and increment system.

Respondents also shared they were penalized for declining jobs, sometimes even when the customer made the cancellation. This issue affected over half of respondents, or 53 percent. Insights from focus group discussions (FGDs) reveal that “workers suffer penalties if they cancel or refuse to take the job. But, they are not penalized if they reschedule the service call.” FGD participants also shared concerns about automated ratings and review mechanisms, reporting that “[m]ore than ninety percent of the platform customers do not cite a reason for assigning low ratings.” They also reported not having an adequate mechanism for dispute settlements vis-à-vis customers.

In most cases, respondents reported discontentment with the treatment meted out by both the aggregator company and customers. Women workers are also confronted with significant safety issues as they provide services at private homes. FGD participants shared that “while working, we always have to be alert to ensure our safety; help can never reach [us] immediately.” Lastly, there is minimal opportunity for collective bargaining and freedom of association. In most cases, the gig workers do not know their peers on the platform and work in different localities to cater to diverse customers. In a nutshell, women gig workers have precarious labor arrangements with limited opportunities for long-term career development.

Additionally, COVID-19 further exposed gig workers’ vulnerabilities, and they were among the hardest hit by the pandemic; many workers lost jobs with the platforms, and others experienced massive income shocks. Women workers were disproportionately impacted as various services such as beauty and wellness services, care work, and domestic work were suspended entirely due to COVID-19 lockdowns, or they had to stay at home to tackle their care responsibilities. Fairwork studied thirteen platforms in India to assess the platforms’ policies for COVID-19 and reported that only three platforms (Amazon, Flipkart and Grofers) compensated workers for lost pay, and only two platforms (Ola and Uber) provided deferral of loan and rental costs. The report

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23 Similarly, other epidemics, natural calamities, and other disasters could have extremely adverse impacts on these workers. No insurance products are covering such disasters, and these workers have very few protections like guaranteed wages, sick pay, and health care—benefits that are critical in a crisis.
also revealed the lack of labor and income security among platform workers of India.  

**The Way Forward**

Gig work is seen as relatively favorable to women, who are widely participating in India’s thriving gig economy as it affords them the choice of work and flexible timings. However, they also face intractable problems, such as irregular income, limited upward mobility, lack of effective bargaining power, occupational segregation, and pervasive automated ratings in the gig economy. Besides, the lack of social protection is a growing concern. Despite these difficulties, women are the major beneficiaries of the gig ecosystem. Looking to the future, the gig economy will continue to expand beyond urban areas. Since more and more women will be joining the gig sector, the best way forward would be to bring policymakers and platforms together to discuss the pressing issues related to platform work and ensuring access to decent work for these workers in the gig space.

First and foremost, creating skills training systems is vital in making a suitable and enabling ecosystem for women, so they may achieve mobility into better employment avenues within the gig space. Platforms and policymakers should focus on strengthening skills-based programs to support future-readiness and economic mobility by developing a wide range of cognitive and non-cognitive skills, by shaping digital skill sets and other hard skills, and by increasing availability of timely and impactful skills training by customized training supports. Skills development must adopt a lifelong learning approach, which is essential for maximizing employment opportunities and self-sustainability of workers. Training programs should also include discussions on labor rights and the platform’s anti-harassment policy, and training should be made obligatory for all platform workers.  

Moreover, bridging the sizable gender divide in digital services and improving digital literacy will be crucial for enhancing women’s participation in the gig economy. The effects of COVID-19 have renewed discussion on the importance of medical insurance, sick pay, and other non-wage benefits, and underscored the need to extend social safety nets for gig workers. Hence, there is a need to adapt social protection systems to the emerging forms of work and to design inclusive social protection that covers the social security needs of all workers.

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25 There are no particular instances of collectivization among urban company’s gig workers. They do have regular meetings with the management to raise their grievances and other job-related issues. However, workers’ trade unions are non-existent.
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