

# DRAWN FROM GIG WORKERS' STRUGGLES, HEWN IN RAJASTHAN

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'It is certainly the first such law in the country, and perhaps the first gig worker-specific social security law in the world' | Photo Credit: Getty Images/iStockphoto

The Rajasthan Platform Based Gig Workers (Registration and Welfare) Act 2023, passed in the Rajasthan Assembly on July 24, is a powerful example of how labour law draws its strength from workers' struggles and victories of the past, even as "the workers of the world" respond to new relationships of employers, employees, and workers rights in the evolving future.

The term "gig" draws its etymological origin from jazz musicians doing short time-based performances called "gigs" for a predetermined fee. The capitalist economy applied this definition to current working arrangements, to escape from employer-employee relationships of any kind. The "gig economy" is in fact nothing more than the minute contractualisation of work, where the employer escapes from all responsibility except for determining the immediate task at hand, and arranging the pecuniary payment for it.

For example, in the case of a transport-based worker such as with Uber or Ola, or many others, the "aggregator" uses an app-based platform to connect the "customer" with the "driver", for which they take a healthy "commission". The app (operationalised with the help of algorithms) does the rest, including fixing the route, regulating the rides, paying taxes, and delivering profit to the company. If the worker does not comply with conditions decided by the company, their "ID" is blocked, resulting in a temporary digital punishment, or digital dismissal. Since the company claims not to "employ" the workers, but "partner" them, there are no employer responsibilities for wages, working conditions, or social security. Needless to say, there are no "shares" of profit or company value that should accompany true partnership.

Around the world, drawing inspiration and power from the architecture and legal regime of market fundamentalism, companies have resisted taking on the most basic responsibility for the dignity and "fair working conditions" of workers. The nature of unorganised work leaves all gig workers at the mercy of a cartel of employers that calls the shots. Even the few unions that have been formed are unequal to take on these employers for any kind of collective bargaining. There is a need for the state to support gig workers through law, but the neoliberal state has shown neither the appetite nor the creative responsibility to do so.

## Editorial | [Promising Bill: On the Rajasthan Platform-based Gig Workers \(Registration and Welfare\) Bill, 2023](#)

This is where and why the Rajasthan law is such an important breakthrough. The workers, their infant unions, and the civil society and citizen groups who support them, made a demand that even the aggregators could not refuse. They demanded social security rights through a board to be set up through a gig workers welfare law. Even aggregators have acknowledged that the workers should have some social security. Some companies claim that they take out accident and death insurance “at company cost”. The truth is that social security is supposed to be a part of the wage earned by the worker, kept for all basic human needs including moments of crisis when a worker is unable to work due to ill health, old age, or even a need for leave. Gig workers today are being forced to work incredibly long hours, all through the week. They bear the burden for any sort of domestic or social crisis including ill health or app failure, or Internet or other shutdowns, while companies take advantage of rising unemployment or faltering economies to offer unemployed workers partnerships (work) with no strings attached. How has the Rajasthan law drawn from workers’ struggles of the past, to formulate a law that will protect workers into the future?

More than 60 years ago, people who carried sacks on their head or shoulders (called hamals) formed a union called the “Hamal Panchayat” in Maharashtra. They faced the same set of problems that most unorganised sector workers face, but in a more acute form. They had no single workplace, or “employer”. The employers were merchants and the workers from poor and mostly Dalit or Other Backward Class families from the rural hinterland. After earning for a short period, when their bodies could no longer take the backbreaking work, they would go back home to fade away. They had nothing to fall back on during illness, accident, or old age. They had no minimum wages, no pension, no sick leave, no health or education benefits and no employer to collectively bargain with.

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They came up with a brilliant formulation that they fought hard to implement, and emerged with a law that has served as the conceptual foundation for unorganised sector workers rights in the country. Led by Baba Adhav, now 94, they demanded and won a law that set up a “Mathadi board” which would register both workers and merchants who used the labour of hamals. Every shopkeeper was registered and required by law to deposit the workers’ wage and a “levy on every sack carried” with the board, which was to be paid to the worker once a month. The levy, acknowledged to be a part of their “piece rate wage”, was to be used for social security schemes and programmes launched and managed by the board. These included gratuity, health and education benefits, and other rights that were considered impossible to secure. So effective was this law that the Hamal panchayat has its own bank, housing scheme (flats for hamals), and school. It has even set up unions for others which include autorickshaw drivers and waste pickers. The board brought them together, the law gave them collective legitimacy, and the capacity to secure their social security money, and true “partnership” in the union allowed them to create some of the most innovative social security benefits from their own legitimate wages. (For the record, no merchant (employer) suffered, let alone went out of business.) The tripartite board, with representation from unions, employers, and government, arrived at a settled and reasonably harmonious formal platform of collective deliberation, negotiation and bargaining. Today, the Pune union still sets the standard — 250 unions in the federation, with labour membership of more than 1,00,000 in the State.

The Rajasthan campaign for app-based gig workers borrowed this formulation, and began its campaign with a demand centered around social security. It convinced the ruling party, including Rahul Gandhi during the Bharat Jodo Yatra in the State, State Chief Minister Ashok Gehlot, and

the bureaucratic establishment, that a board and social security fund funded through a fee on every transaction, was a powerful way forward in dealing with the social security rights of gig workers. The result is the breakthrough Act. It is certainly the first such law in the country, and perhaps the first gig worker-specific social security law in the world.

The app-based nature of platform-based gig work also allows the Mathadi Act principles to be applied in a far more accurate and efficient form. All aggregators operating in the State must be registered. All workers on boarded on their platforms must be registered with the board. A worker can view their own data and transactions. The board can serve as an independent grievance redress mechanism. This law is undoubtedly an important step forward in terms of fair work and social security. The boards and worker access to the data and transactions of app based work can result in a more equal scenario where workers can use digital data to protect their rights. The entire set of transactions and the algorithms used can be made far more transparent. This law can be the basis for more progressive laws for gig workers in India and other parts of the world. New unorganised sector welfare boards can be formed for specific rights and schemes for workers of that sector.

Like any breakthrough, this law has many implications for a new form of social security, and the human rights of workers. As we face the next level of threats to workers and work, including the use of Artificial Intelligence, this should serve as an inspiration that fair and creative work is intrinsic to human nature, and machines can not only be put to use “for people”, but also “by people”, as long as democratic principles of justice and equality are an integral part of decision making.

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