

India: Workers' Rights on Demand

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Gig workers in India face an uphill battle — but if they organize, they can win

Sarita held the red flag on her shoulder. It felt a little uncomfortable as a first-timer. But as the union leaders began talking about their plans for the protest, the flag settled into both of her palms. Listening attentively, her chin took refuge on the stick to which the flag was tied.

Sarita is a worker at Urban Company or UC, an online beauty, wellness, and home service company in India, who lost her job after the company blocked her ID from logging on to its platform without prior notice. Blocking IDs is a common practice across online labour platforms in India. Companies' excuses for blocking worker IDs range from low performance ratings to nothing at all. In fact, many of those with blocked IDs receive no explanation whatsoever.

For Urban Company, the blocked IDs come with an extra pinch of salt — all blocked “partners”, as platform workers are euphemistically called, must attend a mandatory 15-day training without pay. They not only lose their current job but are prevented from pursuing other gainful income for at least 15 days. Sarita is one of the hundreds of UC workers who have no clue how to deal with their bosses, who often claim, “the algorithm blocked you, we can't do anything”.

Sarita and her colleagues have now decided to take the matter up with the Indian government — the people who come to their doorsteps with folded hands and boxes of promises before every election. On 25 July 2023, UC workers under the banner of the All India Gig Workers Union (AIGWU) gathered outside the Office of the Labour Commissioner in Civil Lines, Delhi to raise their grievances. By digitalizing managerial functions and thereby making them invisible, digital labour platforms have made it harder for workers to initiate negotiations or even address grievances. Workers are practically forced to seek help outside the company, and to many, the government seems to be the most viable option.

State intervention on behalf of gig workers has had a tremendous impact in some countries, but similar intervention appears unlikely in India, given the dilution of existing labour laws and rising unemployment under Narendra Modi's administration. Nevertheless, in at least a few states, growing pressure from workers' organizations has led governments to address gaps in existing legislation.

Indian Workers against Modi's Labour Codes

As the organizations of the working class, the duty of trade unions is to ensure that workers are shielded against exploitation by the capitalist class. As Karl Marx first theorized in *Capital*, capitalists attempt to extract more and more surplus value through class stratification, unemployment, or technological innovations that either displace workers or facilitate their further exploitation.

In this context, labour laws become one of the fundamental tools with which trade unions seek to build social safety nets and institutional safeguards. Whether workers join this battle through spontaneous self-activity or are drawn in through organized, coordinated action is immaterial to the

fact that legal frameworks shape the struggle for their rights, and that successful struggles establish standards that can help workers and improve their ability to organize in the future.

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What does this mean for gig workers in India? It means that without struggle and organization, they have few prospects of improving their situation. Slowly but surely, Indian gig workers are moving from spontaneous outbursts to an organized counter offensive. As gig workers in other parts of the world have shown, legislation and legality will become one of the main frontiers of struggle as they begin to organize.

Although the Modi government’s four anti-worker labour codes were formally adopted by many states along with the central government, they remain unimplemented — a direct result of working-class resistance. Accompanied by numerous sectoral strikes in strategic industries like coal and electricity, India has seen huge nationwide strikes on three occasions: a nationwide general strike joined by 200 million workers on 8-9 January 2019, a second strike on 26 November 2020, and another two-day strike on [28-29 March 2022](#). With nearly 250 million workers participating, all three actions demanded the repeal of the labour codes.

The All India Trade Union Congress, India’s oldest trade union established in 1920, the Indian National Trade Union Congress, closely linked to the Indian National Congress Party, and the Centre of Indian Trade Unions, which has a close relationship with the Communist Party of India (Marxist), all played important roles in mobilizing for the strike. Alongside the traditional trade unions, women-led organizations like the Self-Employed Women’s Association (SEWA) spearheaded class actions that galvanized other unions and broad segments of non-unionized workers.

The only union that declined to participate was the far-right Rashtriya Swayamsevak Sangh-affiliated [Bharatiya Mazdoor Sangh](#), officially the largest trade union in India.

On 5 April 2023, a historic Mazdoor Kisan, or “worker-peasant” rally organized by various trade unions and farmers unions mobilized huge masses in the Indian capital. Gig workers and app-based cab drivers in particular played an important role in places like Kolkata, where they were active not only during the strike itself but also in the run-up to it. In the current phase of the movement, the central trade union organizations and farmers’ organizations have come together to launch a campaign in the run up to the general elections next year.

Labour Market Machinations

The Modi government claims the four new labour codes passed last year are designed to address the growing complexity and bureaucratic hurdles caused by India’s overlapping labour laws. Yet, as numerous [studies](#) have shown, Indian labour relations are far from being in the grip of “Inspector Raj”. In fact, existing labour regulations are hardly implemented due to the deliberate weakening of enforcement as government posts are often left vacant.

As a result, the minimum wage and many occupational safety standards remain little more than paper tigers. While India’s government claims the new labour codes will extend legal coverage to the vast majority of informal sector workers, the reality is that they are part and parcel of a broader push towards a regime of hire-and-fire labour flexibility, stripping workers of all protections that might hinder the free flow of profits.

Indeed, the new labour codes undermine the limited rights and protections afforded to workers in India’s existing labour laws. The threshold defining when labour laws apply to workplaces has also

been upped. Previously, labour laws applied to electrified factories employing more than ten workers and non-electrified factories with more than 20. Now, these numbers have been increased to 20 and 40.

In one stroke, the new Industrial Relations Code brought 70 percent of industrial production sites and 74 percent of industrial workers into the hire-and-fire regime, illustrating that the new labour codes are merely a further salvo from big capital to subjugate the Indian working class, already reeling under wage squeezes and a declining share of national income.

The Social Security Code, one of Modi's four new labour codes, defines a "gig worker" as "a person who performs work or participates in a work arrangement and earns from such activities outside of traditional employer-employee relationship". The code further defines "platform work" as "a work arrangement outside of a traditional employer-employee relationship in which organizations or individuals use an online platform to access other organizations or individuals to solve specific problems or to provide specific services or any such other activities which may be notified by the Central Government, in exchange for payment".

Modi touts the new code as a revolutionary step that will bring uninsured segments of the working class into the fold of social security. But a closer reading reveals otherwise.

Although the code recognizes gig workers including platform workers, it distinguishes between employees and gig workers. For employees, the code provides for mandatory provision of gratuity (a lump sum workers receive after retirement), employee compensation in case of workplace accidents, insurance, pensions, and maternity benefits.

Moreover, gig workers are not included in other laws like the Occupational Safety Health and Working Conditions Code, the Code on Wages, or the Industrial Relations Code. Including gig workers in these codes could have addressed their basic demands, such as guaranteeing a minimum wage or addressing their exorbitant working hours. Considering the delivery workers exposed to long shifts without a place to halt or rest, their exclusion from the other codes defeats the purpose of acknowledging gig workers as workers.

When Is a Worker a Worker?

Indian courts have outlined the conditions considered when establishing an employer-employee relationship. These include: control exercised by the employer, supervision of work by the employer, whether the employer decides the conditions of employment, disciplinary action by the employer, supply of tools and materials, insurance contributions, and mutual obligations. Key questions are the extent of control and supervision exercised by the employer and to what extent a worker is fully integrated into the employer's organization or remains independent.

Two existing laws are of particular relevance to the gig sector. Both the central and state governments can pass labour laws, due to it being a concurrent subject under the Indian Constitution. Various state governments have a Shops and Establishments Act, which covers almost every establishment not included in the Indian Mines Act or the Indian Factories Act.

For instance, the [Delhi Shops and Establishments Act](#) defines "commercial establishment" in such a way that easily includes platform companies. The act states that a commercial establishment is any entity that "carries on any business, trade, or profession or work in connection with ... other institutions run for private gain, and premises in which business of banking, insurance, stocks, and shares, brokerage or produce exchange is carried on, but does not include a shop or a factory registered under the Factories Act, 1948 (43 of 1948), or theatres, cinemas, restaurants, eating

houses, residential hotels, clubs, or other places of public amusements or entertainment”.

“The last 300 years of industrial capitalism have shown that not a single law came into being without class struggle.”

The act also contains provisions for wages paid in the form of “piece rates” or commissions per task performed. It is clear that gig work comes under the purview of this act and its similar variants in other states. Platform companies are simply establishments run for the exchange of services — with the added twist that they are mediated by tech.

Similarly, gig workers are employees paid as a function of each task or gig performed in the form of either a “piece rate” or commission. The Industrial Disputes Act is another law vital to protecting workers against the rampant ID blocking in the gig sector. The act contains an elaborate definition of what constitutes the employer-employee relationship, to which the degree of control and coercion is fundamental. This again requires expanding the law’s scope to take into account new forms of tech-mediated control and coercion of labour.

The obliteration of the employer-employee relationship also makes the labour processes fundamental to the creation of value as well as the surplus extraction involved therein invisible. The opacity of the employer-employee relationship is fundamental to the entire gig economy. In fact, this has been the main point of contention in the numerous legal battles playing out in this sector.

Another crucial aspect is that the majority of gig workers are caught up in the notion that they are the companies’ “partners”. An obvious ploy on the part of capital to conceal the employer-employee relationship, workers ultimately realize the need to oppose that notion and move towards class consciousness as they band together to fight around their immediate demands.

Hence, the employer-employee relationship is more than just a question of legality — it is the core of how workers’ self-activity against exploitation takes shape.

Progress in Rajasthan

The Rajasthan Assembly recently enacted the [Rajasthan Platform Based Gig Workers \(Registration and Welfare\) Act](#), paving the way for registration and some social welfare schemes for gig workers, along with what are called “grievance redressal mechanisms”. This move by the Congress government in Rajasthan has been hailed as historic in many quarters.

People within the trade unions see it as a victory for the relentless struggle of various workers’ groups, who have calling to codify gig work in state law. India has seen multiple strikes and demonstrations by app-based workers in the last couple of years. Although they began with workers on ride-hailing and delivery apps, they gradually attracted larger segments of workers, particularly women employed in care services.

The All India Gig Workers Union, Telangana Gig and Platform Workers Union (TGWPU), Kolkata Ola-UBER App-Cab Operator and Drivers Union, and many more have created cross-city networks capable of organizing large numbers of people around certain demands, while workers’ active participation and interaction through social media helps to demystify their identity as “partners”.

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Consequently, the mainstream political parties were forced to incorporate gig workers’ demands

into their manifestos — no longer invisible, they were now a potential vote bank. The SR Abhiyan in collaboration with the Indian Federation of App-based Transport Workers (IFAT) were instrumental in advocating for and drafting the bill passed by the Rajasthan government. TGWPU, which played a key role in organizing Ola-UBER drivers in Hyderabad, referred to the new law as revolutionary.

The Rajasthan law is the first of its kind in all of India. It aims to:

1. Establish a tripartite board comprising aggregators, worker organizations, and the government tasked with the powers to register platform-based gig workers in the state, notify, and administer social security schemes for them, and monitor the implementation of the act.
2. Introduce a dedicated welfare CESS fee on each bill generated by the aggregator to the customer. The fee collected from individual transactions will be credited to a social security fund that shall be used towards financing schemes meant for the welfare of platform-based gig workers.
3. Automatically register all platform-based gig workers operating in the state as soon as they “onboard” on aggregator platforms, irrespective of the duration of their association with the platform.
4. Provide a centralized tracking and management system that shall function as a common portal for all financial transactions taking place on the aggregator’s platform. The breakdown of individual bills into its constituent parts, i.e., fare charged/service costs for the customer, payment made to the platform worker, CESS fee deducted, and so forth will be reflected in the centralized tracking and management system at the transaction level.
5. Make the Department of Labour and the tripartite board responsible for registering, acknowledging, and redressing grievances faced by platform-based gig workers.

Although a welcome step towards regularizing gig work, the law in Rajasthan does not completely challenge the framework defined by the Modi government’s Social Security Code, nor does it attempt to address the core issue of the employer-employee relationship.

Another thing that needs to be underlined is that the CESS Collection from the platform companies has been left entirely up to them. Thus, these sorts of laws will largely remain wishful thinking unless and until the auditing of these companies’ algorithms becomes a legal obligation.

No Rights without Struggle

The Rajasthan government’s recent social welfare legislation and similar announcements by the governments of Karnataka and Jharkhand were possible solely thanks to the increasing number of gig worker wildcat strikes over the last few years and recent coordinated struggles, as seen in the case of the Urban Company workers. This aspect needs to be highlighted again and again.

That said, the fact that these laws exhibit a myopic vision and fail to address the core employer-employee relationship also demonstrates that the present level of organization and consciousness among gig workers has yet to challenge the platform companies and various segments of capital that fuel them, both financially as well as in terms of production.

The last 300 years of industrial capitalism have shown that not a single law came into being without class struggle. Fully aware that all labour laws within bourgeois democracy are in fact laws to regulate the terms on which workers sell their labour power, capital goes to any length to prevent or at least sabotage them. Against this backdrop, the struggle for elaborate labour laws defining the employer-employee relationship in the gig sector cannot succeed without heightened awareness among workers and an accelerated rate of unionization.

Attempts are already in place across India to move ahead with coordinated actions to take on these algorithm-driven companies. How those attempts take shape will decide the future of the gig economy and gig workers in the country. Those like Sarita, who once looked at unions as something alien to be avoided, are now getting organized under the same banner. Capitalist society taught them a hard lesson: whether your boss calls you a worker or a “partner”, there is no way for them to generate a profit without robbing you of your surplus.

Dipsita Dhar is a student activist and PhD scholar. She works as an external project member at STREET Lab, University of Toronto, on “Digital Labor Platforms: Workplace Resistance & Unionization in India & Canada”.

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