



E-ISSN: 2789-8830  
P-ISSN: 2789-8822  
IJCLLR 2023; 3(2): 19-27  
Received: 20-04-2023  
Accepted: 25-05-2023

**Ruchi Singh**  
Assistant Professor, Patna  
Law College, Patna  
University, Patna, Bihar,  
India

**Dr. Vani Bhushan**  
Dean, Faculty of Law, Patna  
University, Patna, Bihar,  
India

# International Journal of Civil Law and Legal Research

## The global workforce revolution: Exploring digital labour platforms and the gig economy in the era of globalization

**Ruchi Singh and Dr. Vani Bhushan**

**DOI:** <https://doi.org/10.22271/civillaw.2023.v3.i2a.52>

### Abstract

The internet has provided us with a convenient and connected world, but it has also brought forth legal complexities. The rise of digital labour platforms has transformed traditional work structures, offering flexibility to workers but also raising concerns about fair wages, employment rights, and social security. Addressing these challenges is crucial for ensuring a balanced and equitable future of work in the digital era. This article examines the intersection of technology and law, emphasizing the challenges and crucial issues that arise when these two areas converge. It recognizes the significant impact of technology on the legal system in today's rapidly advancing technological landscape. The article highlights the complex nature of this relationship and its implications for policymakers, legal practitioners, and society. The first part of the article introduces gig economy and traces the evolution of the Digital labour Platforms in the World and in India discussing the effects of digitalization in the work world. The second part of the article analyses the status of legal recognition of digital labour in India and around the world, discussing the different legal frameworks, which vary depending on the nature of the work and the jurisdiction in question. The authors propose arguments around how recognition of work can only fetch rights related benefits to gig workers. The article in its third part discusses the profound influence of technology on various aspects of the legal field, including the administration of justice, legal research and analysis, and the delivery of legal services. It examines the transformative potential of emerging technologies, such as artificial intelligence, blockchain, and automation, and their impact on traditional legal processes and norms with reverence to India and the global world. Towards the end of the article the authors recognize the significance of international cooperation and harmonization in tackling the global challenges posed by technology and emphasizes the need to align legal frameworks across jurisdictions to establish a unified and standardized approach to technology-related issues.

**Keywords:** Globalization, work world, digital labour platform, gig economy, legal recognition

### Introduction

Over the past decade, the emergence of online digital labour platforms has significantly transformed the world of work in various sectors, such as travel, rentals, education, and food delivery services. This new business model has already had an impact on existing employment and business structures, disrupting traditional work practices for millions of workers worldwide.

Digital labour platforms offer workers flexibility, allowing them to work from any location, choose their own working hours and the maximum duration of work. They also have the freedom to accept or decline jobs based on the nature of work, and can leave anytime if a job doesn't suit them.

While these flexible features may initially seem appealing, a closer examination reveals a world of declining wages and other risks concerning employment status, social security protections, and the nature of available remedies in case of contract breaches with the companies or organizations they work for.

The gig economy, which refers to a labour market characterized by short-term contracts or freelance work as opposed to permanent jobs, has been rapidly growing in India in recent years. With the advent of digital platforms and technological advancements, more and more people are turning to gig work to earn a living.

The gig economy is particularly popular among millennials and younger generations who value flexibility and the ability to work on their own terms. In India, the gig economy is

### Correspondence

**Ruchi Singh**  
Assistant Professor, Patna  
Law College, Patna  
University, Patna, Bihar,  
India

primarily driven by sectors such as ride-hailing, food delivery, and e-commerce, which have witnessed explosive growth in the past few years. While the gig economy has provided new opportunities for individuals to work and earn money, it has also raised concerns about job security, benefits, and labour rights. This introduction will explore the emergence of the gig economy in the World and in India and its impact on the country's labour market.

The gig economy, also known as the freelance or on-demand economy, has been on the rise in recent years. This refers to a labour market where individuals work on a project or task basis, rather than being employed by a company on a permanent basis. This trend has been facilitated by the rapid development of technology platforms that enable workers to connect with potential clients and customers. The gig economy has been fuelled by a range of factors, including the desire for more flexible work arrangements, the need for additional income, and the increasing availability of remote work opportunities.

According to a study by the McKinsey Global Institute, approximately 20-30% of the working-age population in the United States and the European Union are engaged in some form of independent work<sup>[1]</sup>. This number is expected to continue to grow as more workers seek the benefits of the gig economy, such as increased flexibility and autonomy. However, the gig economy also presents challenges, including issues related to job security, benefits, and fair pay. Overall, the gig economy has become an important part of the global labour market, and its impact will continue to be felt in the years to come<sup>[2]</sup>.

### **Globalization and Work World**

Globalization refers to the increasing interconnectedness and interdependence of economies, societies, and cultures worldwide. It is a process that has been ongoing for centuries but has accelerated greatly in recent decades due to advancements in technology, transportation, and communication.

Globalization involves the integration of national economies into the global economy through the movement of goods, services, capital, and labour across national borders. It also includes the spread of ideas, values, and cultural practices around the world.

Proponents of globalization argue that it promotes economic growth, increases productivity, and creates jobs. However, critics argue that it can lead to increased inequality, exploitation of labour, and environmental degradation<sup>[3]</sup>.

### **Impact of Globalization on Labour sector**

Globalization has had a significant impact on the labour sector, both positive and negative. On the one hand, it has created new job opportunities and increased access to global markets for workers in developing countries. On the other hand, it has led to increased competition and wage pressures for workers in developed countries and has been associated with poor working conditions and labour exploitation in some parts of the world.

One of the positive impacts of globalization on the labour sector has been the creation of new jobs in developing countries. For example, the growth of the textile and garment industry in Bangladesh has provided employment opportunities for millions of people, particularly women, who previously had few options for formal employment. Similarly, the expansion of call centre operations in

countries like India and the Philippines has created jobs for workers with language and technical skills<sup>[4]</sup>.

However, globalization has also had negative impacts on the labour sector, particularly in developed countries. For example, it has been associated with wage stagnation and job losses in industries that face increased competition from lower-wage countries. For example, the decline of the U.S. manufacturing sector has been attributed in part to globalization and the outsourcing of jobs to countries like China<sup>[5]</sup>.

Moreover, globalization has also been associated with poor working conditions and labour exploitation in some parts of the world. For example, in the garment industry in countries like Bangladesh and Cambodia, workers have been subject to low wages, long hours, and dangerous working conditions<sup>[6]</sup>. Similarly, the exploitation of migrant workers in the Gulf States has been well documented<sup>[7]</sup>.

Overall, we can say that, globalization has had a complex impact on the labour sector, with both positive and negative effects. While it has created new job opportunities in some parts of the world, it has also led to wage pressures and labour exploitation in others. Governments and international organizations need to work together to mitigate the negative impacts of globalization on the labour sector and ensure that all workers are protected and treated fairly.

### **Relation between Globalization and Digitalization**

Digitalization is the process of using digital technologies to convert analogue information into digital form. Globalization refers to the increasing interconnectedness of economies, societies, and cultures across the world. These two concepts are related because digitalization has facilitated and accelerated the process of globalization in various ways.

Firstly, digitalization has made it easier and cheaper to communicate and collaborate across borders. With the advent of the internet and social media platforms, people can now connect with others from different parts of the world in real-time. This has enabled businesses to expand their operations globally, and individuals to form social networks with people from diverse backgrounds<sup>[8]</sup>.

Secondly, digitalization has transformed the way goods and services are produced and consumed. E-commerce platforms like Amazon and Alibaba have made it possible for consumers to purchase products from anywhere in the world. This has led to a global market where businesses can sell their products and services to a much larger audience than before<sup>[9]</sup>.

Thirdly, digitalization has enabled the rapid dissemination of information across the world. News and information can now be shared instantly and easily, breaking down barriers of time and distance. This has enabled people to learn about and respond to global events in real-time<sup>[10]</sup>.

Hence, we can say that, digitalization has played a significant role in the process of globalization, enabling people and businesses to connect, collaborate, and compete on a global scale<sup>[11]</sup>.

### **Evolution of the Digital labour Platforms in the World**

Digital labour platforms have been around since the early 2000s but their use has grown rapidly in recent years due to the increasing demand for on-demand labour and the advancements in digital technology. The evolution of digital labour platforms can be broadly classified into three stages:

1. Early-stage (2000-2010),
2. Mid-stage (2010-2015),
3. Mature stage (2015-present).

During the early-stage of digital labour platforms, companies like Task Rabbit and Mechanical Turk emerged as a mode to connect individuals with short-term jobs. These platforms allowed workers to offer their services on a flexible basis and connect with employers looking for specific skills or tasks. However, these platforms faced criticism due to low wages and lack of labour protection.

The mid-stage of digital labour platforms saw the emergence of more specialized platforms, such as Uber and Lyft, which focused on connecting drivers with passengers. These platforms offered greater flexibility to workers and allowed them to work on-demand. However, they also faced criticism for low wages and lack of job security<sup>[12]</sup>.

In the mature stage of digital labour platforms, platforms like Upwork and Freelancer emerged, offering more specialized skills and services. These platforms provide a wide range of services, including web development, graphic design, and content writing. They also offer greater protections for workers, such as dispute resolution and the ability to set their own rates<sup>[13]</sup>.

### **Evolution of the Digital labour Platforms in the India**

Digital labour platforms in India have undergone a significant transformation over the years. Initially, platforms such as Naukri.com and Monster.com emerged in the early 2000s, which were primarily focused on connecting job seekers with employers. However, with the advent of gig work and the rise of the sharing economy, a new breed of digital labour platforms emerged in India<sup>[14]</sup>.

In recent years, the growth of the gig economy in India has led to the emergence of several digital labour platforms that cater to various types of gig work, such as ride-sharing, food delivery, and freelance work. One of the most popular gig work platforms in India is Uber, which has over 35% market share in the ride-sharing industry. Other popular platforms include Swiggy and Zomato for food delivery, and Upwork and Freelancer for freelance work.

These platforms have disrupted traditional labour markets in India by providing new opportunities for work and income generation. However, they have also been criticized for their lack of regulation and for exploiting workers by offering low wages and poor working conditions.

According to a report by the International Labour Organization the COVID-19 pandemic has further accelerated the growth of digital labour platforms in India. The report notes that while these platforms have provided some relief for workers who lost their jobs during the pandemic, they have also increased precarity and vulnerability among gig workers<sup>[15]</sup>.

Overall, the evolution of digital labour platforms in India has been characterized by rapid growth and disruption, with both positive and negative impacts on workers and the labour market. As the gig economy continues to expand, it is important for policymakers and stakeholders to address the challenges and opportunities presented by digital labour platforms to ensure that they contribute to inclusive and sustainable development.

India has also seen significant growth in the digital labour platform industry. India has the second-highest number of gig workers in the world, after China<sup>[16]</sup>. Platforms like Ola,

Swiggy, and Zomato have revolutionized the way people order food and transport in India. These platforms have created millions of jobs, but also face challenges related to worker safety and minimum wage laws.

### **An imaginary hypothetical picture of the emerging gig economy**

An imaginary hypothetical picture of the emerging gig economy might depict a busy street in a major Indian city, with a variety of people engaged in gig work activities. On one side of the street, there could be several ride-hailing drivers waiting in their cars for the next customer request to come in. On the other side of the street, there could be a group of food delivery workers on bikes, picking up orders from nearby restaurants and delivering them to customers. In the background, there might be a large e-commerce warehouse, with workers sorting packages and preparing them for delivery. In the foreground, there could be a young freelancer working on a laptop at a nearby cafe, taking advantage of the free Wi-Fi and flexible work environment. Other individuals might be seen engaging in various types of gig work, such as graphic design, content writing, or virtual assistant services.

Overall, this pictorial representation would aim to capture the diverse and dynamic nature of the gig economy in India, highlighting the various opportunities and challenges that come with this emerging form of work.

### **Legal Recognition of Digital Labour**

In India and around the world, digital labour platforms are recognized under different legal frameworks, which vary depending on the nature of the work and the jurisdiction in question. Here is an overview of how digital labour platforms are legally recognized in India and globally:

#### **India**

In India, digital labour platforms are recognized under various laws, depending on the nature of the work and the status of the workers. For example, workers who are classified as employees are covered by the labour laws, such as the Industrial Disputes Act<sup>[17]</sup>, the Minimum Wages Act<sup>[18]</sup>, and the Employees' Provident Fund and Miscellaneous Provisions Act<sup>[19]</sup>. However, workers who are classified as independent contractors or self-employed are not covered by these laws and have limited legal protections<sup>[20]</sup>.

To address this issue, the Indian government has proposed a new labour code, the Code on Social Security, which aims to provide social security benefits to all workers, including those in the gig economy. The code is currently under consideration by parliament<sup>[21]</sup>.

#### **Globally**

In other countries, digital labour platforms are also recognized under different legal frameworks. Some countries have established specific laws and regulations for the gig economy, while others apply existing labour laws to platform workers<sup>[21]</sup>.

For example, in the European Union, the Platform Work Regulation was proposed in 2021, which aims to establish minimum standards for platform workers, such as access to training, transparent and predictable working conditions, and social protection<sup>[22]</sup>.

In the United States, platform workers are classified as independent contractors under federal law, which means

they are not covered by most labour laws. However, some states have passed laws to provide gig workers with certain benefits, such as sick leave and unemployment insurance [23].

### **Impact of digitalisation on Unorganised Sector Labour in India**

Digitalisation has had a significant impact on the unorganised sector labour in India. On one hand, it has created new opportunities for work, but on the other hand, it has also led to job losses and changes in work.

According to a report by the International Labour Organization (ILO), digitalisation has led to the creation of new job opportunities in India, particularly in the areas of e-commerce, IT services, and business process outsourcing (BPO). However, these jobs are often characterised by low wages, long working hours, and poor working conditions, which are not conducive to the overall well-being of the workers [24].

Moreover, digitalisation has also led to job losses in some sectors, particularly in traditional industries such as textiles and handloom weaving. According to a report by the National Sample Survey Organisation (NSSO), the number of workers employed in the unorganised sector in India declined from 82% in 2011-12 to 81% in 2017-18 [25].

Digitalisation has also changed the nature of work in the unorganised sector. With the increasing use of technology and automation, many traditional jobs are becoming redundant, and workers are being forced to adapt to new technologies and processes. For example, the use of machines for weaving and spinning in the textile industry has reduced the demand for traditional handloom weavers, who now need to retrain to operate the machines.

While digitalisation has created new job opportunities in India, particularly in the areas of e-commerce, IT services, and BPO, it has also led to job losses and changes in the nature of work in the unorganised sector. As a result, it is important for policymakers to take steps to ensure that the benefits of digitalisation are shared more equitably, and that workers in the unorganised sector are protected from the negative effects of technological change.

### **Impact of Technology on Labour laws**

Technology has influenced labour laws in various ways, including changes in work, increased automation, workplace surveillance, and protection for remote workers. Let us explore each of these in more detail with some examples and relevant citations.

#### **Changes in nature of work**

The rise of the gig economy, characterized using online platforms to match workers with short-term jobs or projects, has challenged traditional labour laws that assume a clear employer-employee relationship. The classification of gig workers as either independent contractors or employees has been a contentious issue in many countries. For example, in California, a new law (AB5) was passed in 2020 to classify gig workers as employees, thereby entitling them to minimum wage, overtime pay, and other benefits that are typically reserved for traditional employees [26].

#### **Increased automation**

Automation and artificial intelligence (AI) have been transforming the workplace, leading to concerns about job

displacement and the need for retraining and upskilling programs. Governments are now exploring policies that can help workers transition to new jobs in the face of automation. For instance, in the European Union, the European Parliament has called for the creation of a European Fund for Just Transition to support workers affected by the transition to a low-carbon economy and the rise of digital technologies [27].

#### **Workplace surveillance**

Advances in technology have made it easier for employers to monitor their employees, both in terms of their work performance and their personal lives. This has raised concerns about privacy and the need for regulations to protect workers from excessive surveillance. For example, the use of wearable technology in the workplace to monitor employees' biometric data, such as heart rate and brain waves, has been criticized as an invasion of privacy. Some countries, such as Germany, have enacted laws to regulate the use of employee monitoring technology [28].

#### **Protection for remote workers**

The COVID-19 pandemic has accelerated the shift towards remote work, leading to the need for new regulations to protect workers who may be working from home or other remote locations. This includes issues such as data security, health, and safety, and working hours. In the United States, the Department of Labour issued guidance on the use of telework during the pandemic, emphasizing the need for employers to ensure that remote workers are provided with the same protections as on-site workers, such as workers' compensation [29].

In conclusion, technology has had a significant impact on labour laws around the world, and governments are increasingly recognizing the need to update regulations to keep up with the changing nature of work. The examples provided above demonstrate some of the ways in which technology has influenced labour laws and the measures that governments have taken to address these issues.

### **Will rise in technology impact labour market in India?**

New technologies have the potential to significantly impact the labour market in India, both positively and negatively. Here are some ways in which new technologies can affect the labour market in India. The author has used illustrations and examples to support her claim.

**Automation:** The increasing use of automation in industries such as manufacturing, retail, and banking could lead to job losses in India, especially in low-skilled sectors. A report by McKinsey & Company suggests that automation could eliminate 25-45% of existing jobs in India by 2025 [30].

**Digitalization:** The widespread adoption of digital technologies in sectors such as e-commerce, finance, and healthcare could create new job opportunities for skilled workers in India. A report by the World Economic Forum suggests that digitalization could create 60-65 million new jobs in India by 2025 [31].

**Gig economy:** The rise of the gig economy, enabled by platforms such as Uber, Ola, and Swiggy, has created new job opportunities for workers in India, particularly in the informal sector. However, these jobs are often low-paying

and lack benefits such as health insurance and retirement savings<sup>[32]</sup>.

**Artificial Intelligence:** The increasing use of artificial intelligence in sectors such as healthcare, education, and finance could improve productivity and create new job opportunities for skilled workers in India. However, the adoption of AI could also lead to job displacement in low-skilled sectors<sup>[33]</sup>.

**Remote work:** The COVID-19 pandemic has accelerated the trend of remote work in India, enabling workers to work from anywhere and providing flexibility. However, remote work could also lead to increased job insecurity and inequality, particularly for low-skilled workers who lack access to remote work opportunities<sup>[34]</sup>.

Overall, new technologies have the potential to both create and destroy jobs in India, depending on the sector and skill level of workers. Policymakers will need to ensure that workers are equipped with the necessary skills to adapt to changing job markets and that social safety nets are in place to support workers who are displaced.

### Post COVID Scenario of Gig Economy

Post COVID there is a steep rise in this form of work in the entire world. Today India is the largest supplier of workers on the online platform<sup>[35]</sup>. The United States, the United Kingdom, Australia, and Canada were the first among other nations from where the online-platform work originated. Today the proportional involvement of workers for such work is much more from the developing countries, led by India, which now accounts for about 20% of the world's total share<sup>[36]</sup>. "Workers from India are the largest suppliers of global labour; India's share of total supply rose by about 8 percentage points between 2018 and 2020, while it declined in other developing countries<sup>[37]</sup>."

### Understanding the Crossroads of Technology and Labour Laws

The crossroads of technology and labour laws have been a topic of much discussion in recent years. With the rise of technology, there have been numerous challenges and opportunities for labour laws, which have traditionally been focused on protecting workers in traditional workplaces. One of the most significant changes in the labour market in recent years has been the growth of the gig economy. Digital labour platforms have allowed workers to find flexible work arrangements that suit their needs, but these new forms of work have also raised questions about how labour laws should apply to gig workers. For example, should gig workers be considered employees or independent contractors? This question has been at the centre of numerous lawsuits and regulatory debates<sup>[38]</sup>. Another area where technology and labour laws intersect is the increasing use of automation in the workplace. While automation has the potential to increase efficiency and reduce costs for businesses, it can also lead to job loss and displacement for workers. Labour laws may need to be updated to ensure that workers are protected in the face of automation<sup>[39]</sup>.

Another significant crossroad is the regulation of Remote Work. The COVID-19 pandemic has accelerated the trend of remote work, with many employees now working from home. This shift has raised questions about how labour laws should apply to remote workers, particularly in terms of issues such as overtime pay, workplace safety, and workers' compensation<sup>[40]</sup>. These are just a few examples of the

crossroads of technology and labour laws. As technology continues to advance, it is likely that there will be many more challenges and opportunities for labour laws in the years to come.

### Raising the Concern to Work World with Acceleration of Digital Processes

Ironically, with the acceleration of digital processes and online business modes India can become the gig-worker capital of the world in the coming future<sup>[41]</sup>. India's gig economy is continuously on boom and is estimated to triple over the next 3-4 years to 24 million jobs in from the presently existing 8 million<sup>[42]</sup>.

'Gig economy' is among the most widely used terms in the business world today. While gig work<sup>[43]</sup> has been around for a long time, it has gained momentum recently with the success of platform-based companies like Ola/Uber (in ridesharing), Zomato/Swiggy (in food delivery), and Urban Company (in personal services, home renovations and repair). Now if we talk specifically of India gig work would not be a new concept for us. Informal economy technically known as 'unorganised sector' under India Labour laws always had the equivalent of gig work across urban and rural India from casual workers in any labour segment to household help.

### Technology and Law: Crossroads and Challenges

Technology today is an enabler and is seen as a necessity for growth but it has encroached upon the human labour space. In this era of social and legal transformation, technology is creating new forms of human and social behaviour which needs revisiting of all the present legal frameworks. The gig economy originated from U.S, U.K and other developed nations and slowly spread throughout the world. Today it is a mainstream economy in many developing countries including India. When we investigate the historical basis of this kind of work, we find that countries gradually shaped up their legal system to tackle the complications which arises between balancing the theories of justice as applied to the labours and damages that might stop start-ups and entrepreneurs if gig work is being controlled or stringent labour laws made to regulate them<sup>[44]</sup>.

### Digital Labour and its impact on the economic growth in India

Digital labour has had a significant impact on the economic growth of India in recent years. Here are some of the ways it has contributed to the country's economy:

- **Job creation:** Digital labour has created numerous job opportunities in India, particularly in the IT and service sectors. According to a report by Nasscom<sup>[45]</sup>, the Indian IT industry is expected to add around 2.5 lakh (250,000) new jobs in 2021-22<sup>[46]</sup>.
- **Increased productivity:** Digital labour has improved productivity in various industries, such as banking, healthcare, and manufacturing. Automation and artificial intelligence have made many tasks faster and more efficient, leading to increased output and revenue.
- **Cost savings:** Digital labour has enabled companies to reduce labour costs by automating repetitive tasks and outsourcing work to low-cost countries like India. This has made it more affordable for businesses to scale up their operations and improve profitability.
- **Global competitiveness:** India's IT industry has

become globally competitive due to its skilled workforce and low labour costs. According to a report by the World Economic Forum, India ranks third globally in terms of the number of AI professionals <sup>[47]</sup>.

**Improved access to services:** Digital labour has made it easier for people in India to access essential services like healthcare and education. Telemedicine and online learning platforms have become increasingly popular in the country, particularly during the COVID-19 pandemic.

These factors have contributed to the overall growth of the Indian economy, with the IT sector being a major driver. According to the Indian Brand Equity Foundation, the IT industry's contribution to India's GDP is expected to increase from 7.7% in 2020 to 8.1% in 2021 <sup>[48]</sup>.

### **The Post COVID study of Impact of Technology on Labour Sector in India**

The COVID-19 pandemic has had a profound impact on the global labour sector, accelerating the adoption and use of technology in many industries. The increased use of technology has led to both positive and negative effects on the labour sector in India and the world.

#### **Positive Impacts**

**Increased Remote Work:** The pandemic has made remote work a necessity for many industries, and the use of technology has made it possible. This has allowed companies to maintain productivity while ensuring the safety of their employees. According to a study by Gartner, Inc, the percentage of workers permanently working remotely is expected to double in 2021 compared to pre-pandemic levels <sup>[49]</sup>.

**Increased Automation:** The pandemic has accelerated the adoption of automation in many industries, including manufacturing and logistics. Automation has allowed companies to maintain operations even with reduced staff and has also increased efficiency. According to a report by Deloitte, the adoption of automation in India is expected to grow by 30-40% in the next few years <sup>[50]</sup>.

**Growth of E-commerce:** The pandemic has led to an increase in e-commerce sales worldwide. This has led to the creation of new jobs in areas such as logistics and delivery. According to a report by ASSOCHAM, the e-commerce sector in India is expected to create up to 2.5 lakh jobs in 2021 <sup>[51]</sup>.

#### **Negative Impacts**

**Job Losses:** The increased use of technology has led to the displacement of some workers, particularly in industries such as retail and hospitality. According to a report by the International Labour Organization (ILO), the pandemic has led to the loss of 255 million jobs globally in 2020 <sup>[52]</sup>.

**Increased Demand for Tech Skills:** The increased use of technology has led to a growing demand for workers with tech skills. This has led to a skills gap in the labour sector, as many workers lack the necessary skills for new jobs created by technology. According to a report by the World Economic Forum, 50% of all employees will need reskilling by 2025 <sup>[53]</sup>.

**Unequal Impact:** The impact of technology on the labour sector has not been equal across all workers. Low-skilled workers are more likely to be displaced by technology, while high-skilled workers are more likely to benefit. This has led to increased income inequality. According to a report by Oxfam, the pandemic has widened the income gap between the rich and poor in India.

Therefore, we can say that the COVID-19 pandemic has had a significant impact on the labour sector, accelerating the adoption of technology worldwide. While the increased use of technology has led to many benefits, such as increased productivity and new job opportunities, it has also had negative effects, such as job losses and increased income inequality. Policymakers must take steps to ensure that the benefits of technology are distributed equitably and that workers are equipped with the necessary skills to adapt to the changing labour market.

### **Understanding the modification of Laws and change in technology with examples**

India is a rapidly developing country and the rise of technology has brought about various changes in society. As a result, laws and regulations have had to be modified to keep up with these advancements. Here are some examples of laws that have been modified or need to be modified in India due to the rise in technology

- **The Information Technology (IT) Act:** The IT Act was enacted to provide a legal framework for electronic transactions and to ensure the security and confidentiality of data. However, with the rise of social media and online platforms, the Act needs to be updated to address issues such as cyberbullying, revenge porn, and online defamation. In fact, the Indian government recently introduced the Personal Data Protection Bill, 2019, which aims to regulate the use of personal data and prevent its misuse <sup>[54]</sup>.
- **The Indian Penal Code (IPC):** The IPC is a comprehensive code that defines various crimes and their punishments. With the rise of technology, new forms of crime have emerged such as cyberstalking, cyberterrorism, and identity theft. The IPC needs to be modified to include these new forms of crime and ensure that the perpetrators are punished appropriately <sup>[55]</sup>.
- **The Motor Vehicles Act, 1988:** The Motor Vehicles Act regulates the use of motor vehicles on Indian roads. With the development of autonomous vehicles and electric vehicles, the Act needs to be updated to accommodate these new technologies. For example, the Act needs to define the liability of manufacturers in case of accidents involving autonomous vehicles.
- **The Copyright Act, 1957:** The Copyright Act provides protection to creators of original works such as books, music, and films. With the rise of digital piracy, the Act needs to be modified to provide better protection to copyright owners. In fact, the Indian government has introduced the Copyright (Amendment) Bill, 2021 <sup>[56]</sup>, which seeks to bring the Act in line with international standards and provide better protection to creators.

With the following example the author wishes to draw analogy of changes required in Labour Laws as is required in many other laws which needs to be updated because of rise in technology and its use in the legal space because of

changes and the rise of technology has brought about various changes in society, and laws and regulations need to be modified to keep up with these changes. The Indian government has recognized this need and is taking steps to update existing laws and introduce new laws to regulate the use of technology.

### Conclusion

Towards the end of this chapter the author concludes that the emergence of gig work has brought about significant changes to the traditional employment landscape, with technology playing a key role in enabling this shift. While gig work offers greater flexibility and autonomy to workers, it has also raised concerns about the erosion of labour rights and the inadequacy of existing labour laws to address these challenges.

The impact of technology on labour law has been profound, with the rise of digital platforms and the gig economy presenting new challenges that require innovative regulatory solutions. Some countries have already started to address these challenges by introducing new legislation, such as California's AB5 law, which reclassifies gig workers as employees entitled to labour protections.

California's AB5 law, which went into effect on January 1, 2020, reclassifies many gig workers as employees, entitled to the protections and benefits that come with employee status, rather than being classified as independent contractors. The law aims to address the issue of misclassification of workers and ensure that gig workers receive adequate labour protections<sup>[57]</sup>.

Under the AB5 law, workers must meet a three-part test known as the "ABC test" to be classified as an independent contractor. The ABC test includes the following criteria:

A. The worker is free from the control and direction of the hiring entity in connection with the performance of the work, both under the contract for the performance of the work and in fact;

B. The worker performs work that is outside the usual course of the hiring entity's business; and

C. The worker is customarily engaged in an independently established trade, occupation, or business of the same nature as the work performed for the hiring entity.

If a worker does not meet all three criteria, they must be classified as an employee and are entitled to labour protections such as minimum wage, overtime pay, workers' compensation, and unemployment insurance.

The AB5 law has had a significant impact on companies in the gig economy, including Uber, Lyft, and DoorDash, which had previously classified their workers as independent contractors. These companies have faced legal challenges and protests from workers and labour advocates who argue that gig workers deserve employee status and the accompanying labour protections<sup>[58]</sup>.

In November 2020, California voters passed Proposition 22, which exempted app-based ride-hail and delivery companies from the AB5 law, allowing them to continue classifying their drivers as independent contractors. However, the exemptions under Proposition 22 are limited and do not apply to other industries or gig workers<sup>[59]</sup>.

Overall, the AB5 law represents a significant shift in labour law and has prompted other states and countries to consider similar measures to protect gig workers.

There can be several questions raised here as to what is the status of protection given to gig workers in other

jurisdictions of the world and specially in India. All these questions shall be investigated in all details in the corresponding chapters on comparative study on Gig workers of this thesis.

Going forward, it is crucial for policymakers to continue to engage with stakeholders, including workers, employers, and technology companies, to ensure that labour laws are adapted to the changing nature of work. This will require a collaborative approach that balances the interests of all parties involved, while also upholding fundamental principles of fairness and social justice.

In summary, the impact of technology on labour law is a complex and ongoing issue that requires ongoing attention and innovation. By working together, policymakers and stakeholders can create a more inclusive and equitable future of work that benefits everyone involved.

### References

1. McKinsey Global Institute. Independent work: Choice, necessity, and the gig economy available at; c2016. <https://www.mckinsey.com/featured-insights/employment-and-growth/independent-work-choice-necessity-and-the-gig-economy> (last visited on 13/05/2021).
2. Katz LF, Krueger AB. The rise and nature of alternative work arrangements in the United States; c2016. p. 1995-2015. *available* at [https://krueger.princeton.edu/sites/default/files/akrueger/files/katz\\_krueger\\_cws\\_-\\_march\\_29\\_20165.pdf](https://krueger.princeton.edu/sites/default/files/akrueger/files/katz_krueger_cws_-_march_29_20165.pdf) (last visited on 13/05/2021).
3. International Labour Organization. Bangladesh: Improving working conditions in the ready-made garment sector; c2019. *available* at [https://www.ilo.org/global/topics/employment-promotion/garment-industry/WCMS\\_719098/lang-en/index.htm](https://www.ilo.org/global/topics/employment-promotion/garment-industry/WCMS_719098/lang-en/index.htm) (last visited on 13/05/2021).
4. Mayer F, Gereffi G. Regulation and economic globalization: Prospects and limits of private governance. *Business and Politics*. 2010;12(3):1-32.
5. Autor DH, Dorn D, Hanson GH. The China shock: Learning from labour-market adjustment to large changes in trade. *Annual Review of Economics*. 2016;8:205-240.
6. *Supra* note 4.
7. Human Rights Watch. Qatar: End abuse of migrant construction workers; c2019. *available* at <https://www.hrw.org/news/2019/09/23/qatar-end-abuse-migrant-construction-workers> (last visited on 1/05/2023).
8. Castells M. *The rise of the network society*. Wiley-Blackwell; c2000.
9. Friedman TL. *The world is flat: A brief history of the twenty-first century*. Farrar, Straus, and Giroux; c2005.
10. The World Bank Group. *Digital Dividends*. World Bank Publications; c2016.
11. UNCTAD. *Digital Economy Report 2019*. United Nations Publications; c2019.
12. Kshetri N. Gig economy and its impact on digital entrepreneurship. *Journal of Small Business Management*. 2018;56(1):5-26.
13. Sundararajan A. *The sharing economy: The end of employment and the rise of crowd-based capitalism*. Cambridge, MA: MIT Press; c2016.

14. Economic Times. Gig Economy in India: From a Nascent Sector to a Full-blown Revolution; c2021. available at <https://economictimes.indiatimes.com/small-biz/startups/features/gig-economy-in-india-from-a-nascent-sector-to-a-full-blown-revolution/articleshow/82598317.cms> (last visited on 1/05/2023)
15. International Labour Organization. Digital Labour Platforms and the Future of Work: Towards Decent Work in the Online World; c2020. available at [https://www.ilo.org/wcmsp5/groups/public/---ed\\_protect/---protrav/---travail/documents/publication/wcms\\_737648.pdf](https://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---travail/documents/publication/wcms_737648.pdf) (last visited on 1/05/2023)
16. Supra note 13.
17. Industrial Disputes Act, 1947.
18. The Minimum Wages Act, 1948.
19. Employees' Provident Fund and Miscellaneous Provisions Act; c1952.
20. Economic Times. Digital labour platforms may be required to register with government; c2020. available at <https://economictimes.indiatimes.com/jobs/digital-labour-platforms-may-be-required-to-register-with-government/articleshow/74552381.cms> (last visited on 1/05/2023).
21. The Wire. What Does India's Proposed Social Security Code Mean for Gig Workers; c2021. available at <https://thewire.in/labour/india-social-security-code-gig-workers> (last visited on 1/05/2023)
22. International Labour Organization. The Platform Economy and Informal Work: Implications for Social Dialogue and Industrial Relations; c2020. available at [https://www.ilo.org/wcmsp5/groups/public/---ed\\_dialogue/---dialogue/documents/publication/wcms\\_762108.pdf](https://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---dialogue/documents/publication/wcms_762108.pdf) (last visited on 1/05/2023)
23. European Commission. Proposal for a Regulation on platform-to-business relations; c2021. available at <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12310-Platform-to-business-relations> (last visited on 1/05/2023)
24. <sup>1</sup>New York Times. What Is the Gig Economy; c2021. available at <https://www.nytimes.com/2021/03/04/business/what-is-the-gig-economy.html> (last visited on 1/05/2023)
25. International Labour Organization (ILO). Digital labour platforms and the future of work: Towards decent work in the online world. Geneva: ILO; c2019.
26. National Sample Survey Organisation (NSSO). Key indicators of employment and unemployment in India, 2017-18. New Delhi: NSSO; c2019.
27. Wired. (2020). California's AB5 law: A guide for the perplexed. <https://www.wired.com/story/californias-ab5-law-a-guide-for-the-perplexed/>
28. European Parliament. A European Fund for Just Transition; c2021. <https://www.europarl.europa.eu/legislative-train/theme-a-fair-social-and-environmentally-sustainable-transition/file-a-european-fund-for-just-transition>
29. Forbes. New German Law Restricts Employee Monitoring with Wearable Tech; c2021. <https://www.forbes.com/sites/kateoflahertyuk/2021/01/13/new-german-law-restricts-employee-monitoring-with-wearable-tech/?sh=13cfe77d1c2d> (last visited on 1/07/2023).
30. Department of Labour. COVID-19 and the Fair Labour Standards Act Questions and Answers; c2020. <https://www.dol.gov/agencies/whd/flsa/pandemic>
31. McKinsey Global Institute, Jobs lost, jobs gained: What the future of work will mean for jobs, skills, and wages; c2017
32. World Economic Forum, The Future of Jobs Report; c2018.
33. International Labour Organization, "World Employment and Social Outlook: Trends 2020," 2020
34. NITI Aayog, National Strategy for Artificial Intelligence; c2018.
35. International Labour Organization, COVID-19 and the world of work; c2020.
36. International Labour Organization, World Employment and Social Outlook The Role of Digital Labour Platforms in Transforming the World of Work (February 2021); c2021. available at [www.ilo.org/publns](http://www.ilo.org/publns) (last visited on 1/07/2023).
37. Ibid.
38. Supra 2, (The report draws on the findings of surveys conducted among 12,000 workers in 100 countries).
39. The issue has been discussed by authors such as David Weil in his book *The Fissured Workplace* and Arun Sundararajan in *The Sharing Economy: The End of Employment and the Rise of Crowd-Based Capitalism*.
40. One example of this is the debate over whether robots should be taxed as employees, as proposed by Bill Gates in a 2017 interview with Quartz.
41. Dau-Schmidt, Kenneth G. "The impact of emerging information technologies on the employment relationship: New gigs for labour and employment law." *U. Chi. Legal F.* 2017. 63.
42. Raj Swaminathan and Rajendra Srivastava, *India Can Become the Gig-Worker Capital of The World The Hindu Business Line*, (New Delhi 06/08/2021).
43. Boston Consulting Group (BCG) and Michael & Susan Dell Foundation, *Unlocking the Potential of The Gig Economy in India*, (March 2021), available at <https://www.dell.org/impact/#reports>, (last visited on 1/07/2023).
44. Which broadly comprises work delivered on-demand with little to no formal contracting and over 200 million people are considered part of the gig workforce globally.
45. Janine Berg, Marianne Furrer, Ellie Harmon, Uma Rani, Michael "Six" Silberman, *Working Conditions on Digital Labour Platforms: Opportunities, Challenges, And the Quest For Decent Work* (20/09/ 2019), available at <https://voxeu.org/article/working-conditions-digital-labour-platforms>, (last visited on 1/07/2023).
46. The \$245 billion Indian technology industry, which contributes significantly to the country's GDP, exports, employment, infrastructure, and global awareness, is represented by Nasscom, a non-profit trade group. The private sector employs the most people in India because to this industry. Since its founding in 1988, Nasscom has made it a priority to support the technology sector as it works to win the trust and respect of a wide range of stakeholders.



47. Nasscom. (2021). NASSCOM Indian IT Industry 2021-22 Insights, available at <https://www.nasscom.in/reports/nasscom-indian-it-industry-2021-22-insights>
48. World Economic Forum. (2020). Future of Jobs Report 2020, available at <https://www.weforum.org/reports/the-future-of-jobs-report-2020> (last visited on 1/07/2023).
49. Indian Brand Equity Foundation. (2021). Information Technology in India. available at <https://www.ibef.org/industry/information-technology-india.aspx> (last visited on 1/07/2023).
50. Ibid.
51. Deloitte: <https://www2.deloitte.com/content/dam/Deloitte/in/Documents/technology-media-telecommunications/in-tmt-tech-trends-2019-noexp.pdf>
52. ASSOCHAM: <https://www.assochem.org/newsdetail.php?id=8583>
53. ILO: [https://www.ilo.org/global/topics/coronavirus/impacts-and-responses/WCMS\\_755910/lang--en/index.htm](https://www.ilo.org/global/topics/coronavirus/impacts-and-responses/WCMS_755910/lang--en/index.htm) (last visited on 1/07/2023).
54. World Economic Forum: <https://www.weforum.org/agenda/2021/01/reskilling-revolution-future-of-jobs-report-2020/> (last visited on 1/07/2023).
55. The Information Technology (IT) Act, 2000.
56. The Indian Penal Code 1860.
57. The Government of India notified the Copyright (Amendment) Rules, 2021 (“Rules”) on 30 March 2021
58. California Department of Industrial Relations. (2021). Assembly Bill 5 – Employment Status. Available at <https://www.dir.ca.gov/dlse/ab5.html> (last visited on 1/07/2023).
59. National Law Review. (2019). California Governor Signs Assembly Bill 5: Independent Contractor Status in the Golden State Just Got Harder. Available at <https://www.natlawreview.com/article/california-governor-signs-assembly-bill-independent-contractor-status-golden-state> (last visited on 1/07/2023).
60. Supra 66.