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### Social Security Protection for Online Platform Cab Drivers in India

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#### Abstract

Online platforms are transforming works globally at an unusual scale and pace. This new form of employment is integrating in all forms of occupations and employment, as the digital platform work and raising the value of digital economy in all countries globally. With the equal amount of work creation and opportunity this digital works are having issues related to employment and labour protections. Thus, it requires the current social security and employment laws to reform and adapt to the specific situations and needs of such platform workers. Since these platform workers are working outside the traditional employer employee relationship, the current social security laws failed to cover this new kind of employment relationship due to the standardisation in application of employment laws to only the employee and worker category. The need to extend employment rights and social protection coverage to all kinds of workers irrespective of their employment category is now the pressing principal of the ILO (International Labour Organisation). The study is based on a survey conducted with the help of a questionnaire. It is found that platform workers in India are deriving their major income form the digital platforms. And most of the workers in the digital platforms in India are working for long hours to earn their income due to unfair payment and exploitive terms and conditions of the platform companies.

#### Keywords

Platform economy, Platform work. Platform worker. Gig economy. Non-standard models of work. Social security protection. Employment relationship. International labour organisation.

#### INTRODUCTION

Online platforms are an important part in the digital economy. The growth and development of these online platforms in the last decade is clearly visible and well know. In the current scenario, there are already three million platform workers working in India through various platforms. With this the digitization is also bringing new challenges in the way how people work and also enabling new forms of coercion and control over workers. Worldwide, there is an increasing debate on the need to address the question of labour protection in platform work relationships and avoid the misclassification of platform workers as "independent contractors".

This research problem is even addressed by ILO's Global Commission on the Future of Work has highlighted, all workers, regardless of their contractual arrangement or

employment status, should enjoy fundamental workers' rights and adequate living wages. These aggregators partner their service provider as non-employee for their business operations. Due to their disguised employment and dependent contract, their primary issue starts with the need of legal status, usually they integrate them and their tools for providing service, under the platform aggregators. As a result, the persons working in this online taxi platform works are finding themselves placed outside of a range of social protections for which the gateway is formal employee (or worker) status or extending the social protection system to all kinds of workers irrespective of the employment relationship.

These platform workers don't have any access to any reasonable social insurance schemes. And also, they don't have a more robust employment insurance and general insurance, which has to be made compulsory or mandatory by the nation's government in globalized world. Workers within the platform economy are almost invariably classified as independent contractors, despite the very fact that their work could also be closely supervised by the platform organisation. The majority of legal systems across the globe, face this new kind of employment which has a "binary divide" between employment and self-employment where the rights and obligations of the parties concerned don't seem to be clear, due to "grey areas" within the labour law.

As these varieties of employment don't seem to be formally a part of an employment relationship the workers are not protected by law and they don't have any kind of Social Security coverage. Moreover, workers are deprived from freedom of association and also the right to dialogue, since many jurisdictions restrict these rights to wage employees.

#### **Objective of the study**

- To study the income pattern of the cab drivers integrated with the cab aggregators.
- To understand the work nature of the online cab drivers integrated with the cab aggregators.
- To find the challenges and issues of the online cab drivers

#### **Limitation of the study**

- Some respondents were hesitating to give true responses.
- The data were collected within 1 month time period
- The inferences apply only to the respondents of Major metro cities in India and are not applicable to non-metro places and hence cannot be generalized.

### **RESEARCH METHODOLOGY**

This study is mainly based on the primary data. A well-structured questionnaire is issued to the online cab drivers, to understand their income pattern, employment type and working conditions and nature of work and their challenges and issues as an online cab driver. After pilot study, the questionnaire is administered to 202 respondents who have integrated with the cab aggregators as driver partners to provide their service for transportation. Convenience sampling is used for the study. Data obtained from study is analysed using SPSS.

#### **Review of Literature:**

1. **Huu-Chi, Thanh Tam, Thi-Thuy-Linh LE (2016).**, the author in this study aims at examining the effects of temporary jobs on employment conditions in selected Asian countries, including Vietnam, Cambodia, Indonesia, the Philippines and Pakistan, based on their national Labour Force Survey data. Wage differentials between temporary and permanent workers depend highly on the arrangement form (fixed-term or casual, full-time or part-time, written or oral contract), and on the relative position in the wage distribution.
2. **Mark Graham, Joe Shaw (2017).**, the author argues that the People around the world are waking up to a new world of work. A system that distributes millions of jobs, but no stable work. A system that connects bosses and workers who sometimes never meet

each other. A system that offers workers freedoms, but no security or control. The gig economy has both created new labour markets and transformed (some) old ones.

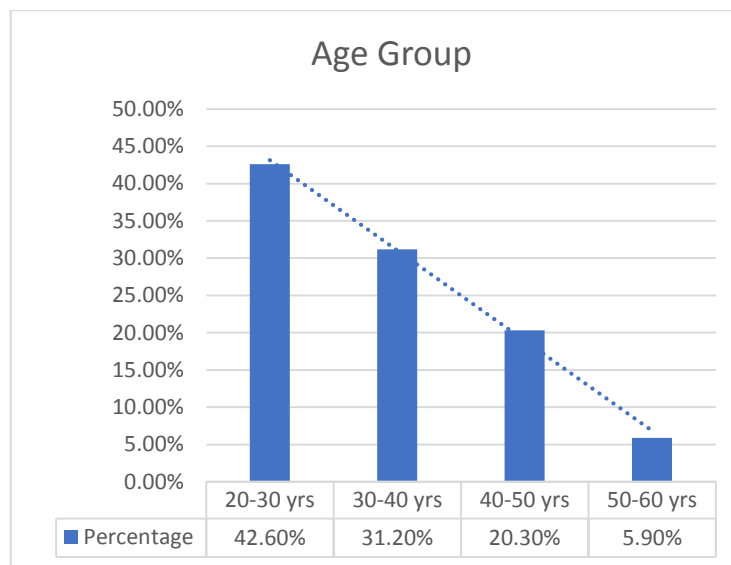
3. **Sangeet Paul Choudary (2018).**, the author of this paper tries to understand the digital labour platforms that connect workers with consumers of this work and provide the infrastructure and the governance conditions for the exchange of work and its compensation.
4. **Bama Athreya (2020).**, the author in this paper tried to explain the worker control in the surveillance economy where the technology is enabling new forms of coercion and control over workers. While digital platforms for labour markets have been seen as benign or neutral technology, in reality they may enable new forms of worker exploitation.
5. **Sarah Kaine, Emmanuel Josserand (2019).**, the author states that the gig economy has captured public and policy interest and is growing as an area of academic inquiry, prompting debate about the future of work, labour regulation, and the impact of technology and job quality. In this paper the author provides a timely intervention into that debate providing an introductory overview, positioning the articles within a comprehensive literature review of existing scholarship on the gig economy.

### RESULTS AND DISCUSSIONS

#### PERCENTAGE ANALYSIS

Table 1: Percentage Analysis on the Gender and Age of the respondents

Variable	Category	Percentage frequency
Gender	Male	100%
	Female	0%
Age Group	20-30 yrs	42.6%
	30-40 yrs	31.2%
	40-50 yrs	20.3%



In this survey, the majority of the participants in the online cab service are only male drivers which accounts 100% of the sample size and out of which majority 73% of the drivers are in the 20-40 years of age group.

Table 2: Respondents Income type:

Income type	Percentage frequency
Primary income source	99.5%
Secondary income source	0.5%

It is evident that most of the respondents are working based on the platform cab service are in the full-time category and their income generated fall 99.50% as primary income

Table 3: Average days worked in a month per year

Average days worked in a month	Percentage frequency
30 days per month	79.2%

This study finds that majority of the cab drivers 79% are working on an average of 30 days per month. This shows that they there is a high chance of becoming socially isolated.

Table 4: Work flexibility

Their flexibility associated with this employment	Percentage frequency
Highly Rigid	50.5%
Rigid	37.1%

This study finds that majority of the drivers 87% are finding this occupation as rigid and there is no work flexibility and work life balance due to exploitive terms and conditions of the cab aggregators.

Table 5: Respondents opinion on the facilities

Facilities	Opinion on Beneficial Percentage frequency
Rest area provision	78.7%
Institutional credit facility	99.5%

This study finds that 100% of the online cab drivers are facing the issue due to **lack of rest area and vehicle parking zones in the city areas**. Due to this they are frequently facing no-parking charges and issue with the city traffic control regarding vehicle parking and 78.7% of the respondents are in need of rest area provision institutional credit facility.

Table 6: Work related health issues of the respondents

Work related Health issues	Percentage of respondents facing the health issues
Back pain	97.1%
Neck pain	96.5%

This study finds that due to the pro-longed staying inside that car for long hours has brought them health issue and majority of the drivers 80% are having Back pain(spinal), Neck pain, Respiratory problem, headache, and stomach problem.

Table 7: Major health issue faced by the Drivers

Major Health issue	Percentage of respondents facing these major health issues
Stress	91.6%

This major health that drivers face in common are stress where 91% of the majority drivers are having stress due to bad working conditions both in terms and conditions and physical working conditions.

Table 8: Subjecting to communicable diseases

<b>Subject to contact with persons having communicable diseases</b>	<b>Percentage frequency</b>
Yes	65.3%

This study finds that majority of the drivers 65% are subjected to frequent communicable diseases due to their passengers having the same and travelling without informing the same to the cab aggregators. This impacts the driver's day to day life of getting sick frequently and having no sickness benefits also is vulnerable in this situation.

Table 9: Health condition of the respondents

<b>Health condition level</b>	<b>Percentage frequency</b>
Poor	87.6%
Good	9%

This study finds that majority of the drivers 87% are having their health condition as poor due to frequent subject to the climate change and air, noise pollution and prolonged sitting posture and bad road engineering.

Table 10: Cab Aggregators Supportiveness Level

<b>Cab Aggregators Supportiveness Level</b>	<b>Percentage frequency</b>
Unsupportive	92.10%

The study finds that drivers are finding very difficult to resolve their grievance that arises due to work and resolution of those grievance is not done by the cab aggregators. The mode of communication to the grievance redressal machinery is online via phone call and there is no physical grievance submission and enquiry done by the cab aggregators.

Table 11: Respondents' opinion on mandatory contribution for income security

<b>Respondents' opinion on mandatory contribution for income security</b>	<b>Percentage frequency</b>
Totally acceptable	54.5%
Slightly acceptable	31.7%

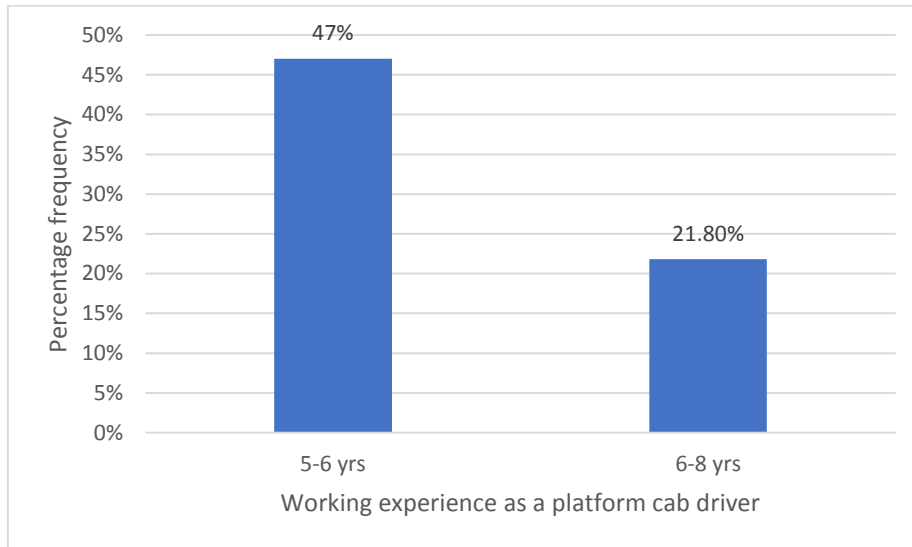
The study finds that majority of the respondents 84% are accepting to make their contribution when mandatory income security scheme is implemented.

Table 12: Amount the respondents willing to contribute to social security insurance

<b>Amount the respondents willing to contribute to social security insurance</b>	<b>Percentage frequency</b>
<b>INR 200-500</b>	77.7%
<b>Not willing to contribute</b>	11.4%

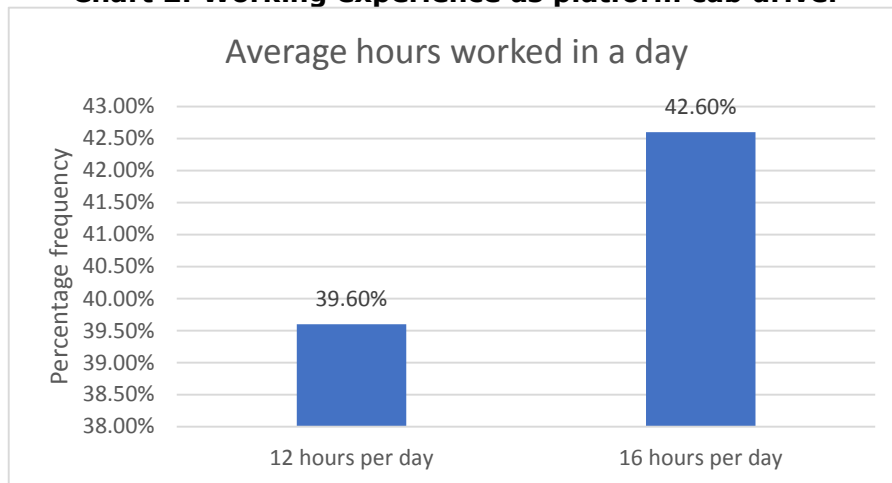
And this study also finds that majority of the respondents 85% can possibility contribute an amount of the range of INR 200-500 per month from their income for their income security during their time of their contingencies.

**Chart 1: Working experience as platform cab driver**



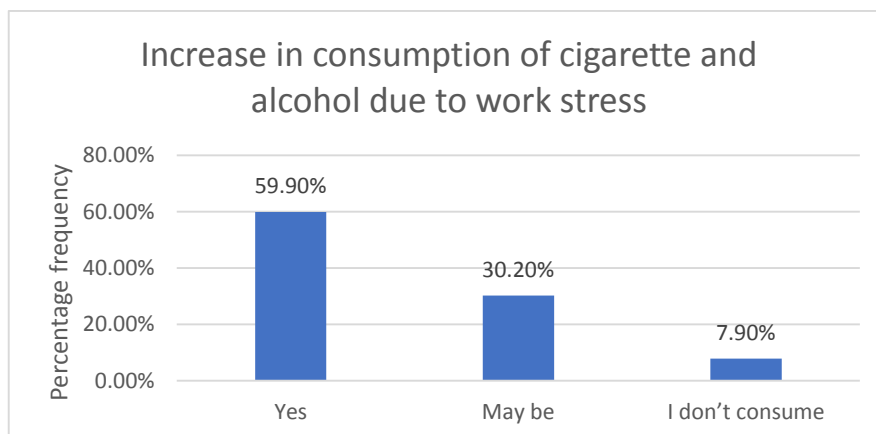
It is evident for the above table that majority of the cab drivers 68% are having a working experience of 5-8 years in average as an online cab driver.

**Chart 2: Working experience as platform cab driver**



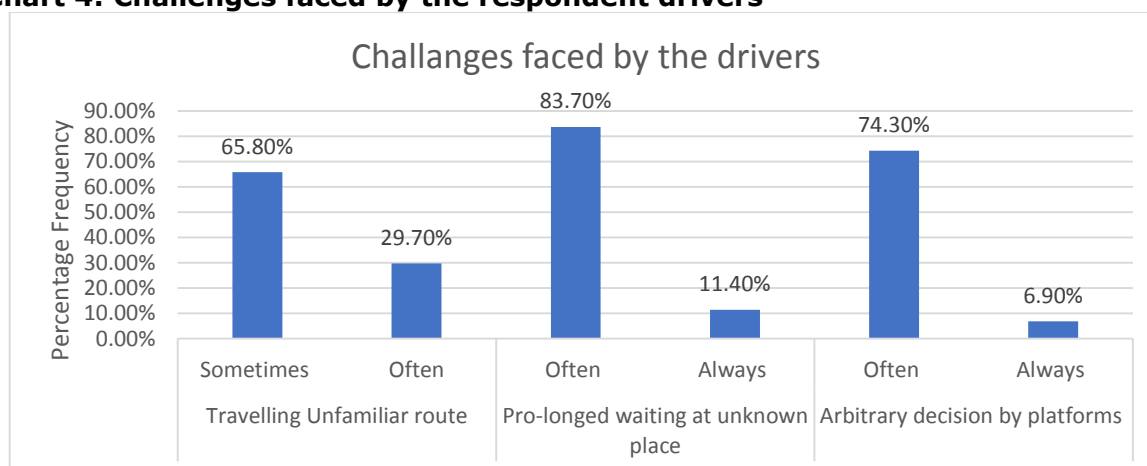
This study finds that majority of the online based cab drivers 81% are working for on an average of 16 hours per day.

**Chart 3: Increase in Consumption of Cigarette and alcohol due to work stress**



This study finds that there is no health awareness, stress reduction and stress coping programs are conducted by the cab aggregators or state transport due to this driver are addicted to increased consumption of cigarette, alcohol and other tobacco products. Were majority of the drivers 60% are consuming cigarette, alcohol and other products and they agreed that this consumption is increasing gradually.

**Chart 4: Challenges faced by the respondent drivers**



This study finds that the major challenges of the cab driver were majority of the online cab drivers facing the challenges while travelling in an unfamiliar route and during the long hours waiting at an un-known place and by the arbitrary decisions of the platforms.

**INFERENCEAL ANALYSIS**

**TEST 1-CHI-SQUARE ANALYSIS**

**Hypothesis testing**

**H0:** There is no significant association between **Monthly income and Work Timing.**

**H1:** There is significant association between **Monthly income and Work Timing.**

**Monthly Income \* Work Timing [Total working hours Per Day]  
Crosstabulation**

	Count	Work Timing [Total working hours]				Total
		Count				
		8 hours	12 hours	16 hours	20 hours	
Monthly Income	Less than INR 20000	6	18	1	1	26
	INR 20000- 30000	10	36	8	0	54
	INR 30000- 40000	0	25	37	2	64

INR 40000- 50000	0	1	38	5	44
More than 50000	0	0	2	12	14
Total	16	80	86	20	202

**Chi-Square Tests**

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	197.158 <sup>a</sup>	12	.000
Likelihood Ratio	178.022	12	.000
Linear-by-Linear Association	104.445	1	.000
N of Valid Cases	202		

**Result:** calculated p-value is (.000). Since  $p < .05\%$ , the  $H_0$  is rejected at 5% level of significance and **Hence H1 accepted**. Therefore, there is a significant association between the monthly income and work timing of the respondents.

It can be inferred from the above table that, majority of the respondents 79% are working nearly 16 hours per day. And this evidence shows that there is no working hour's regulation and drivers are allowed to keep their log in status online 24 hours to accept the ride from the users of the cab platform.

**TEST 2-CO-RELATION COEFFICIENT**

**Hypothesis testing**

**H0:** There is no significant relationship between the **Rest area benefit and Health Challenges**.

**H1:** There is significant relationship between the **Rest area benefit and Health Challenges**.

Rest area benefit	Spearman co-relation	Health Challenges
	Correlation coefficient	-.809
	Sig. (2-tailed)	.000
	N	202

**Result:** Calculated p-value is (.000)., since  $p < .05\%$ , the  $H_0$  is rejected at 5% level of significance and **Hence H1 accepted**. Therefore, there is significant co-relation between Rest area benefit and Back Pain Health challenges. The study finds that when rest area or parking area is established in quite higher numbers at the various location inside the city area, the drivers can take a nap or rest whenever they feel tired, this will reduce the health issues among the drivers. Because since no rest area is provided either by state or cab aggregators, they have no option of staying inside the car during the rest time in pro-longed sitting posture and that has created a lot of orthopaedic health issues like spinal pain, neck pain and joint pain.

**TEST 3-CO-RELATION COEFFICIENT**

**Hypothesis testing**

**H0:** There is no significant relationship between the **Grievance redressal machinery and Unilateral decision of the cab aggregators**.

**H1:** There is significant relationship between the **Grievance redressal machinery and Unilateral decision of the cab aggregators**.



Grievance redressal machinery	Spearman co-relation	Unilateral decision by the cab aggregators
	Correlation coefficient	-.723
	Sig. (2-tailed)	.000
	N	202

**Result:** Calculated p-value is (.000)., since  $p < .05\%$ , the  $H_0$  is rejected at 5% level of significance and **Hence H1 accepted**. Therefore, there is significant relationship between **cab aggregator’s Grievance redressal machinery and Unilateral decision by the cab aggregators**. The online cab drivers are finding difficult to raise their grievance to the platforms management, and due to this these cab aggregators are unilaterally changing their terms and conditions. Drivers aggrieved by unilateral decision of the cab aggregators are not able to state their grievance to the cab aggregators and the grievance is not addressed also even by any kind of resolution machinery in the cab aggregator’s management. When strict grievance redressal machinery is introduced the unilateral decision making will get reduced among the cab aggregators.

### DISCUSSIONS

1. This study finds that majority of the drivers in this platform cab service are only males. This clearly picturizes this occupation has a gender gap due to the factors such as **no work dignity, work safety, fairness**.
2. The majority of the drivers are in the age group of less than 40 years shows that this occupation is not supporting a work man who wishes to give transportation service through a cab aggregator for above 40 years of age, due to poor working conditions. This creates an **early retirement and unemployment issues** in the labour-force.
3. This study finds that this employment is a **new kind of non-standard model of work** where drivers are integrated with the cab aggregators through a contract.
4. This study finds that persons integrating with the cab aggregators **are not required any minimum basic educational qualification or any kind of screening** to become a cab driver. This has created a cluster of participants of all educational background. The only eligibility to become a cab driver is having a valid driving license and government address proof and a car.
5. This study finds that majority of the drivers in platform cab service are married and having a family to take care of with this income. Being a married worker and not having any kind of social security has high chance of becoming vulnerable when they face unemployment.
6. This study finds that only 50% of the cab drivers’ spouse are working and the rest are having this income for their entire household needs.
7. This study finds that majority of the respondents are having children in their household and being a worker of no social security and income saving and income security they are highly vulnerable when the driver face contingencies.
8. Majority income of the platform cab drivers are up to INR40000 per month only a least percentage of the cab drivers are earning above INR 50000 per month. And this payment settlement is not a fare pay and no law is governing their payment settlement.
9. This study finds that majority of the driver are generating their primary income from this online cab service occupation only.
10. Since payment being settled without any social security contribution and also the study finds that majority of the divers 75% are not having any kind of income savings per month from their income.
11. This study finds that majority of the drivers 68% are having their working experience as 5-8 years in this online cab service.
12. This study finds that majority of the cab drivers are owning their car with bank loan. Where majority of the cab drivers are in a peer pressure to pay their cab loan EMI every

month, this makes them vulnerable that they are not even provided with any sick leave facility or medical benefits by the cab aggregators.

13. This study finds that majority of the cab drivers 66% are having **the lack of sleep** due to long time being on roads.
14. This study finds that majority of the respondents are spending from their out-of-pocket expenses for their health care. This shows that there are no medical benefits during their earning period.
15. This study finds that these drivers don't have any kind of sickness benefits during their earning period and they also don't have old age benefits.
16. This study finds that stress reduction programs and offline medical camp are only rarely conducted by the cab aggregators and the drivers are finding difficult to access to this program while it was conducted due to wage loss.
17. The study finds that these drivers are left free from any kind of legal protection and their legal status is completely not self-employed and they are dependent on the work control of the cab aggregators where they find that the current labor legislation is not supportive in protecting their health and family and providing a new kind of legal status as platform worker.

#### **POLICY RECOMMENDATIONS:**

This research has clearly demonstrated the following findings:

**Firstly**, these platform-based cab drivers do not have any access to important and floor level social security protections. Policy should incorporate a floor level access to social security benefits for the platform workers.

**Secondly**, these online based cab drivers are more dependent to the platform's terms and conditions. And the decisions related to service provision is unilaterally taken by the cab aggregators without the consultation or opinion of the cab drivers. This shows that there is no regulation guiding the terms and conditions of the drivers and there are no guidelines regarding the framing of terms and conditions of employment for the platform workers.

**Thirdly**, these online cab aggregators are not obliged to follow work timing regulation and faire payment regulations. Due to this they allow the drivers to keep their log in status for 24\*7 also.

**Fourthly** these online cab drivers are facing the issues of lack of rest area in the city areas, where they are not provided with any parking zone or rest area during their waiting time.

#### **CONCLUSION**

The existing social security protection needs to adapt to new challenges on digital work and its new form employment. With this the new forms of employment in the digital economy are adding workers to increased inequality and informality in the current society. The study finds that in the platform work most of factors like their working conditions, payment settlement, wage rates, work timing, hiring and firing procedure are controlled only by the platform aggregators. Due to these continuum exploitive terms and conditions cab drivers are facing the challenges of pro-longed working hours, long time waiting and travelling to unknown location and this has led them to major work-related health issues also.

The online cab drivers don't have any access to any kind of social security protection and are not protected with employment rights regulations. The principal of risk sharing and sustainable financing should be brought to overcome this issue and social security protection should incorporate all kind of workers by building comprehensive social protection systems is the major suggestion of the study.

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