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An Examination of the GIG Economy: A Case Study of Uber

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Abstract

Technology has become an integral part of modern society, revolutionizing various aspects of human interaction and economic activities. The emergence of the gig economy, facilitated by digital platforms, has enabled individuals and companies worldwide to engage in diverse skills and services on a global scale. However, the gig economy: =[presents both opportunities and challenges, particularly regarding the determination of service prices, worker rights, and performance evaluation. While the gig economy provides flexibility and accessibility to work opportunities, it also raises concerns about the lack of bargaining power for workers, the anonymity of labour, and the reliance on algorithmic performance evaluation systems. This paper aims to examine the benefits and challenges of the gig economy, with a focus on the role of technology platforms in shaping labor dynamics and contractual relationships. The paper employs a qualitative doctrinal research methodology, utilizing primary and secondary sources such as legislation, judicial precedents, scholarly journals, and articles. The paper concludes that the gig economy represents a significant shift in labour relations and economic organization, driven by technological advancements and changing consumer preferences. However, its expansion raises important legal, social, and economic issues that require careful consideration and policy responses. Based on the findings, it is recommended that policymakers should enact legislation and regulatory frameworks to address the challenges posed by the gig economy, including worker classification, wage standards, and algorithmic transparency. Additionally, stakeholders should engage in dialogue and collaboration to develop industry standards and best practices that promote fairness, transparency, and accountability in the gig economy ecosystem.

Keywords: Technology, Gig Economy, Uber, Workers, rights

1. Introduction

The advent of technology has changed the way things work in the society.[1] Technology based companies are big players in gig economy. Connection to various social media platforms has opened more room for communication which has opened wide the door to different opportunities and made way for several online businesses.[2] The expansion of gig economy has become a world-wide trend.[3] People all over the globe are making incomes through online services.[4] While

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[1] E Istrate and J Harris, 'The Future of Work: The Rise of the Gig Economy' (2017) <https://www.naco.org/featured-resources/future-work-rise-gig-economy> accessed 04 February 2024.

[2]Ibid.

[3] C Dey et al, 'Emerging World of Gig Economy: Promises and Challenges in the Indian Context',<https://journals.sagepub.com/doi/full/10.1177/26314541211064717>> accessed 17 May 2024.accessed 4 February 2024

people have long worked on projects for pay, the term "gig economy" is now used to describe new, technologically advanced job categories.[5] The term was coined by Tina Brown in 2009 because of the younger persons working series of jobs.[6] In-app technologies have highly expanded the concept of gig economy and speedily becoming the new middlemen through which consumers and workers are connected. Many individuals also opt for internet related jobs because they are unable to get full time salaried traditional jobs and for some, it is so they could augment their income.[7] One distinction between traditional employment and gigs is that the former is temporary, whilst the latter is compensated for the particular task completed by the independent contractor.[8] The paper adopts a doctrinal methodology, drawing on legal principles, statutes, case law, and scholarly commentary to analyze the legal and regulatory frameworks governing the gig economy. It discusses gig economy, its benefits and its challenges. It further examines the phenomenon of technology and gig economy. A case study of *Uber v Anslem*[9] is reviewed to illustrate the practical implications of gig economy dynamics, particularly in relation to technology-driven business models. The analysis reveals that while the gig economy offers benefits such as job flexibility and market access, it also raises concerns about labour rights, income stability, and worker exploitation. The *Uber's*case highlights the legal challenges arising from the classification of gig workers as independent contractors, with implications for labour protections and social security benefits. Moreover, the role of technology platforms in algorithmic pricing and performance evaluation underscores the need for regulatory interventions to ensure fairness and accountability in the gig economy.

2. Conceptual Framework

Gig economy has been explained in diverse ways by various writers.[10] Gig economy also known as sharing economy, platform economy, crowd-working, freelancing etc.,[11] has created new markets through the emergence of technology globally. It is the market center where demand and supply connect through the use of in apps.[12] It involves outsourcing through technology.[13] It is transacting business using technological means in a digitally empowered market center.[14] Gig connotes short-term. It is a one-off job contract that is created by making use of internet

[4] R Malik, A Visvizi and M Skrzek- Lubasinska, 'The Gig Economy: Current Issues, the Debate, and the New Avenues of Research' (2021)<file:///C:/Users/hp/Downloads/sustainability-13-05023-v2%20(1).pdf>accessed 4 February 2024

[5]Ibid.

[6] M M Rashid, 'Exploitation in a Disruptive and Unjust Gig-Economy' (2020) 7 (3) *Journal of Economics Bibliography*,16.

[7]Ibid.

[8] E Istrate and J Harris, 'The Future of Work: The Rise of the Gig Economy' (2017) <https://www.naco.org/ featured-resources/future-work-rise-gig-economy> accessed 10 February 2024.

[9] (2021) UKSC 5.

[10] L Bulian, 'The Gig is Up: Who Does Gig Economy Actually Benefit?' (2021) 19 (1) Interdisciplinary Description of Complex Systems 106.

[11] Ibid.

[12] B Churchill and L Craig, 'Gender in the Gig: Men and Women Using Digital Platforms to Secure Work in Australia' (2019) 55 (4) *Journal of Sociology* 471.

[13]M Schmid-Druner, 'The Situation of Workers in the Collaborative Economy' <https://www.europarl.europa.eu/ RegData/etudes/IDAN/2016/587316/IPOL_IDA(2016)587316_EN.pdf> accessed 05 March 2024

[14] Ronit Levine-Schnur and Moran Ofir, 'Who Shares the Sharing Economy' <https://gould.usc.edu/why/ students/orgs /ilj/assets/docs/32-3-Levine.pdf&gt> accessed 20 May.

platforms.[15] The gig economy is not without its benefits and challenges. It has provided new incomes and job openings likewise; the workers are not recognised as employees and therefore do not enjoy the benefits that accrue to employees.

The gig economy comprises of three (3) components which are: the gig workers paid by the gig as against the workers who are salary earners. The gig workers can be divided into two (2) namely the labour providers such as drivers, handymen, delivery men etc. and the goods providers such as craftsmen, retailers and sellers of various items such as clothing, utensils etc. The consumers who are in need of certain services such as placing an order and taking a ride or purchasing items via online and the companies that connect the independent worker with the consumer through the use of in app-based technology. E.g., Uber, Airbnb, Amazon, Jumia, Ali Baba, eBay etc.[16] Through the companies via use of in app technology, workers are able to find fast and temporary jobs, and consumers are able to make needed requests.

3. Benefits of Gig Economy

One of the primary benefits of the gig economy is the flexibility it offers to workers. Gig workers have the freedom to choose when, where, and how much they work, allowing them to tailor their schedules to fit their individual preferences and obligations. This flexibility is particularly attractive to individuals seeking to balance work with other commitments, such as caregiving responsibilities, education, or pursuing personal interests. The gig economy also provides opportunities for individuals to supplement their income or pursue alternative sources of revenue. Gig work can serve as a stepping stone for entry into the labour market, offering accessible opportunities for individuals with diverse skill sets and backgrounds. Moreover, gig platforms often provide a level playing field for workers to showcase their talents and compete for jobs on a global scale, democratizing access to economic opportunities.[17]

Engaging in gig work can provide valuable opportunities for skills development and portfolio building. Gig workers have the chance to gain hands-on experience in diverse roles and industries, expand their professional networks, and enhance their skill sets through continuous learning and adaptation. This accumulation of diverse experiences and competencies can boost employability and career advancement prospects in the long term. The gig economy fosters innovation and entrepreneurship by empowering individuals to monetize their unique talents, ideas, and assets. Gig workers have the freedom to pursue creative endeavors, launch independent businesses, and experiment with new business models without the constraints of traditional employment structures. This entrepreneurial spirit drives economic dynamism, fosters competition, and spurs innovation across various sectors.[18]

For businesses, the gig economy offers cost savings and operational efficiencies by providing access to on-demand talent and resources. Gig platforms enable businesses to scale their workforce up or down quickly in response to fluctuating demand, avoiding the fixed costs and

[15] U Bajwa, *et al* 'The Health of Workers in the Global Gig Economy' (2018) 14 *Globalization and Health*, 124; Uttam Bajaw and Others, 'Towards an Understanding of Workers' Experiences in the Global Gig Economy' <https://www.glomhi.org/uploads/7/4/4/8/74483301/workers_in_the_global_gig_economy.pdf&gt>accessed20 May 2024.

[16]Ibid.

[17] U Bajaw,*et al* 'Towards an Understanding of Workers' Experiences in the Global Gig Economy' <https://www.glomhi.org/uploads/7/4/4/8/74483301/workers_in_the_global_gig_economy.pdf&gt>;accessed 20May 2024

[18] Ibid.

administrative burdens associated with traditional hiring processes. Moreover, businesses can tap into a global pool of skilled workers, reducing geographical barriers and maximizing resource utilization. The gig economy expands market access and consumer choice by connecting buyers with a diverse array of goods and services from around the world.[19] Consumers benefit from greater convenience, variety, and customization options, while businesses gain access to new markets and customer segments. This increased competition and innovation drive quality improvements, price transparency, and service excellence across industries.

Gig economy is very flexible as it affords the workers the opportunity to work at their convenience and for that the workers can take up other jobs or engage in other activities.[20] The workers can allot time and assets or materials needed for work at their free will.[21] Gig economy enables different persons to engage in gig work. People are able to monetize their assets. Transactions in gig work are usually cheaper. It gives opportunity to various people to become bosses in their own capacity.[22] It is a good means of substitute income during economic nosedive.[23] It also allows a number of people to go easily into retirement. For those who cannot find full time employment or who lost their jobs, gig economy provides a way out. The workers are independent and do not have to be kept in an office space with other people.

Overall, the gig economy contributes to economic growth and job creation by fostering entrepreneurship, stimulating consumer spending, and enhancing productivity. By harnessing underutilized resources and optimizing resource allocation, the gig economy unleashes latent potential and drives innovation-driven growth in the digital age. It also offers a range of benefits that promote flexibility, innovation, and economic empowerment for workers, businesses, and society as a whole. However, it is essential to balance these benefits with considerations of labor rights, social protections, and regulatory safeguards to ensure a fair and inclusive future of work.

4. Challenges of Gig Economy

The gig economy system, characterized by short-term contracts or freelance work as opposed to permanent jobs, presents several challenges that affect workers, businesses, and society as a whole.

Gig workers often lack the traditional employment benefits and protections afforded to full-time employees, such as minimum wage guarantees, overtime pay, and access to healthcare and retirement benefits.[24] This absence of fundamental labour rights can leave gig workers vulnerable

[19] U Bajaw, *et al* 'Towards an Understanding of Workers' Experiences in the Global Gig Economy' <https://www.glomhi.org/uploads/7/4/4/8/74483301/workers_in_the_global_gig_economy.pdf&gt>accessed 20 May 2024

[20] Y Paik, S Kang and R Seamans, 'Entrepreneurship, Innovation, and Political Competition: How the Public Sector Helps the Sharing Economy Create Value', <file:///C:/Users/hp/Downloads/Paik_et_al-2018-Strategic_Management_Journal1.pdf>accessed 10 February 2024.

[21] J Hall and A Kruger, 'An Analysis of the Labour Market for Uber's Driver- Partners in the Unites States (2018) 719 (3) *ILR Review*, 1-32.

[22] De Stefano, 'The Rise of the "Just in Time Workforce': On-Demand Work, Crowd and Labor Protection in the Gig economy" (2016) 37 *Comparative Labour Law & Policy Journal*,3.

[23] P Oyer, 'The Gig Economy: Non-Traditional Employment is a Great Opportunity for Many, But It Won't Replace Traditional Employment', (2020) IZA World of Labour<https://wol.iza.org/articles/the-gig-economy/long> accessed 10 February 2024.

[24] A Joshi, S Jain and P Gupta, 'Challenges and Impact of the Gig Economy' (2024) 2(2) Sustainable Economy; <file:///C:/Users/hp/Downloads/Challenges_and_impact_of_the_gig_economy%20(1).pdf >accessed20May 2024

to exploitation and economic insecurity, particularly in industries with low barriers to entry and high competition.

The unpredictable nature of gig work can result in income instability and financial insecurity for workers. Fluctuating demand, irregular work schedules, and inconsistent earnings make it challenging for gig workers to budget, plan for the future, and meet their financial obligations.[25] Additionally, gig workers may lack access to unemployment benefits or other safety nets in the event of job loss or income disruption.

Gig workers often operate without access to social protections such as paid sick leave, paid parental leave, and workers' compensation. This lack of safety nets can leave gig workers vulnerable to unforeseen emergencies, health crises, or accidents without adequate support or financial assistance. Moreover, gig workers may face barriers to accessing affordable healthcare, housing, and other essential services due to their precarious employment status.

The rapid growth of the gig economy has raised regulatory concerns regarding worker classification, tax compliance, and platform accountability. Determining whether gig workers should be classified as independent contractors or employees under labour laws is a contentious issue that has significant implications for worker rights, employer responsibilities, and government revenue.[26] Moreover, ensuring compliance with tax obligations and enforcing labour standards in the gig economy presents unique challenges due to the decentralized nature of work arrangements and the global reach of digital platforms.

Gig workers often have limited bargaining power compared to platform companies, which wield significant control over work conditions, pricing, and access to opportunities[27]. This power imbalance can result in unfair or exploitative practices, such as arbitrary deactivation of workers' accounts, algorithmic manipulation of job assignments, and suppression of collective bargaining efforts. Without adequate representation or recourse mechanisms, gig workers may struggle to assert their rights or negotiate better terms of employment.

Gig work, particularly when performed remotely or independently, can contribute to social isolation and feelings of loneliness among workers. The lack of traditional workplace interactions, peer support networks, and opportunities for professional development can exacerbate feelings of disconnection and stress. Moreover, the pressure to constantly hustle for gigs and meet performance targets can lead to burnout and mental health issues among gig workers.

Furthermore, they are not classified as employees rather they are contractors which makes them unsuitable to enjoy social benefits and health insurance rather, they get it on their own.[28] They also make provision for the physical asset used by the platform to carry out services. E.g., Uber drivers provide the cars they use for transportation business. The app providers are therefore free

[25]P Oyer, 'The Gig Economy: Non-Traditional Employment is a Great Opportunity for Many, But It Won't Replace Traditional Employment' (2020) IZA World of Labour, <https://wol.iza.org/articles/the-gig-economy/long&gt> accessed 21 May 2024De.

[26]Y Paik, S Kang and R Seamans, 'Entrepreneurship, Innovation, and Political Competition: How the Public Sector Helps the Sharing Economy Create Value' (2018) 40(4) *Strategic Management Journal*; accessed 10 February 2024.

[27] E Istrate and J Harris, 'The Future of work: The Rise of the Gig Economy' (2017) <https://www.naco.org/featured-resources/future-work-rise-gig-economy> accessed 4 March 2024

[28]Ibid.

from any form of liability and they have strong control over the contractors. They determine the cost and price of services rendered and commission that goes to the contractor based on the job done.[29] They suffer unfair dismissal and other sorts of abuse as a result of their employment status. As there is no retirement and pension package for the gig workers, it might be difficult to save. If they do not work, they cannot get paid therefore, they do not get sick leave. They experience tiredness, muscular pains, bone injuries as they often tend to overwork to make big commission at the end of the day. Some have also experienced violence, bullying, robbery attacks even by supposed consumers.[30] There are various gig workers and no statistical survey have been able to determine the accurate size of gig workers.[31]

5. Uber as a Player in Gig Economy

Uber is a ride request company that provides the uber mobile app which can be used to order for a ride. It is a major player in the gig economy and it has provided job opportunities for thousands of individuals across the globe.[32] The Uber Company has an Uber mobile app which the interested passengers download.[33] They create an account by giving personal data and also provide a method of effecting payment either by cash payment or payment by use of bank cards. Once a ride is ordered, the app identifies the location of the passenger and connects the passenger to the nearest available driver who accepts the ride after seeing the passengers name and location.[34] The driver's name and car details are also sent to the passenger and through the Uber app, both parties have a direct contact. The passenger is able to track the driver on the Uber app map. The driver may or may not know the passenger's destination. If the passenger enters it during the ride order he may know otherwise, he gets to know when he picks the passenger up.[35]

When the ride ends, the driver clicks on "complete trip". The fare is calculated by the Uber app based on the time frame of the ride and same is debited to the passenger's card that has been registered on the mobile app and the passenger gets an email to that effect. The app also generates an invoice which is meant for the passenger but it never gets to the passenger. Rather, it is forwarded to the Uber driver and it serves as his record of the trip.[36] Uber makes weekly payment to its drivers based on the fare generated from passengers for that week after deducting service charge. On completion of the trip, the passenger and driver are sent anonymous message to rate each other on a scale of 1-5.[37]

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[29]B R Mukhopadhyay and B K Mukhopadhyay, 'What is Gig Economy?' <https://www.researchgate.net/profile/Boidurjo-RickMukhopadhyay/publication/340583864_What_is_the_Gig_Economy/links/6194272961f0987720a5d443/What-is-the-Gig-Economy.pdf> 05 February 2024.

[30]Ibid.

[31] K Abraham, *et al*, 'The Rise of the Gig Economy; Fact or Fiction?' (2019) 109 AEA Papers and Proceedings, 357.

[32] HMakelane and J M. Mathekga, 'Radical Innovation, Uber Hailing Transport and its Impact: A Case Study of Uber Business in Cape Town, South Africa' (2017) 5 (10) *International Journal of Advanced Research* 1559.

[33]Ibid.

[34]Ibid.

[35]Ibid.

[36]Ibid.

[37]Uber Business Model 'Know how Uber Works and Revenue Insight' ,<https://www.elluminatiinc.com/uber-business-model/#:~:text=Uber%20works%20as%20a%20mediator,25%25%20commission%20from%20each%20booking.&gt> accessed 6 March 2024.

5.1 Becoming an Uber Driver

Whoever is interested in becoming an uber driver first of all signs up online. Then goes to the local Uber office to present appropriate documents such as driver's license, insurance certificate etc. as requested by the company. An interview is carried out and a process called "onboarding" takes place which is a video presentation of Uber procedures and Uber app shown to the driver.[38] As soon as a person is accepted as a driver, he gets unrestrained access to the Uber app through his phone. The driver provides his car which in some jurisdictions like the United Kingdom has to be black or silver in color and he can only work within locations covered by his private hire vehicle license. The car must be of the stipulated model and the driver bears the cost of fueling and maintenance of the car amongst other things.[39]

A ready to work driver is expected to log on to the app at periods convenient for him. The drivers have no uniform and they are not allowed to have Uber emblem on their cars. They may render services through other companies even if those companies are in direct competition with Uber.[40] A welcome pack which contains the standards of performance expected of the Uber drivers is handed out and these are: not contacting the passenger after the trip has ended, to be polite and professional at all times and to avoid inappropriate topics of discussion. Uber also looks out for high quality service ratings, passengers' comments and feedbacks regarding the driver. It also rates low cancellation and high acceptance. A driver that is not ready to accept ride is expected to go off duty.[41]

Where there is a default, a warning is issued. If the driver does not yield, the warning increases and if the driver keeps defaulting, he will be logged off the Uber app for 10 minutes where the driver declines three (3) rides in a row, where ratings are poor and not improved on, the driver is removed from the Uber platform and his account deactivated.[42] Uber for example Uber London takes care of passenger's complaint about a driver and without hearing the side of the driver, a refund may be made to the passenger from the payment that accrues to the driver. In situations where there is no ground to hold the driver liable, Uber would not deduct from the driver's commission. In instances where the driver's car is soiled by passengers, Uber either pays for the cleaning or contribute to the cost of cleaning such a car.

Before the Uber app is used by the driver for the first time, he has to sign a partnership registration form known as the "Partner Term" of 1st July, 2013 which terms and conditions are agreed to be binding on the parties. In 2015, a new agreement was introduced. The drivers have to signify their agreements electronically every time they log into the Uber app and accept ride requests.[43] The service agreement represents a legal agreement between Uber and the driver. The agreement provides that Uber is to provide electronic services that includes access to Uber app and payment to the driver while the driver has to perform transportation services which is a legal

[38]Ibid.
[39]Ibid.
[40] M Schafer and N Schwarzkopf, 'Gig Economy: Opportunity or Risk for the Labour Market' (2019)<https://www.kas.de/documents/252038/4521287/AA349+Gig+Economy+ENGL.pdf/07894e08-2770-c349-ac20-da77d6e886b8?version=1.0&t=1556607568526&gt> accessed 5 March 2024.
[41]Ibid.
[42]Schafer and Schwarzkopf (n 40).
[43] Brett P. Matherne, Jay O'Toole, 'Uber: Aggressive Management for Growth' (2017) 13(4) The CASE Journal; 561.

and direct service between the driver and the passenger and which Uber is not a party to.[44] Uber determines the fare of the passenger but same is charged by the driver who may reduce it but not increase it. The fare depending on the market factors can be changed at any time by Uber.[45]

5.2 The Case of *UBER BV v Aslam*[46]

In terms of employment rights under UK Company and labour law, this is a historic case. In this instance, a few Uber drivers filed a claim in 2015, claiming that they should have received yearly leave payments under the Working Time Regulations of 1998 and the national minimum wage under the National Minimum Wage Act of 1998 since they were employees and not independent contractors. Uber, on the other hand, contended that the drivers owed no worker or employee obligations because they were independent contractors or self-employed. The drivers were working for themselves. They could even work for different businesses and drive as much or as little as they choose. Uber further contended that the drivers are covered by two (2) different contracts. Two contracts reinforce the drivers' status as independent contractors: one governs the drivers' relationship with Uber, while the other is between the drivers and the passengers. Uber positions itself as a technology supplier that serves as a booking and payment collection agency for drivers, keeping itself out of the driver-passenger contract.

The drivers are entitled to minimum wage and paid leave since the employment tribunal unanimously decided that they were workers under the definition given in section 230(30(b) of the Employment Rights Act of 1996. The case was taken before the Employment Appeal Tribunal and the Court of Appeal, where the ruling was affirmed as well. Not content, Uber went to the Supreme Court, where the lower court's ruling was affirmed and the appeal was dismissed.

The issues raised in the appeal were:[47]Whether Uber drivers are employees of Uber and as employees had right to certain benefits such as national minimum wage, paid annual leave and other right available to workers. Whether they are just independent contractors who render services to passengers through their agent Uber. If the drivers were employees of Uber, were the appellants working under the workers' contract anytime they log into Uber app within the area where they had license to operate or were they only working whenever they take rides to their destination.

The Supreme Court ruled that relying solely on a written agreement to determine an individual's status as an employee is incorrect. The goal of employment laws should be taken into account. They are designed to safeguard employees who are in a dependent and subordinate position to an organisation or an individual who has authority over their work or employment. Reason for this was because Uber argued that the written contractual agreements should be the starting point when determining employment status. The Supreme Court strongly rejected this view stating that the question before it was that of statutory interpretation and not contractual interpretation.

In addition, the Supreme Court ruled that Uber has minimal control over the services provided by its drivers, putting them in a subservient and dependent position. While Uber does not set the hours that its drivers must work, they do have flexibility over when they do so. Uber has some control because employees are required to work independently. The Supreme Court also stated

[44]Ibid.
[45]Ibid.
[46]*Uber BV v Anslam* (2021) UKSC 5
[47]*Uber BV v Anslam* (2021) UKSC 5

that there is nowhere and no document where the drivers appointed Uber as its agent. Uber carried out bookings through its contract with the driver.

The Supreme Court also stated that the drivers are working when they are available. i.e., as long as the Uber app is on, the driver is working. It does not matter whether he is driving or has a passenger as long as the Uber app is on, the driver is working. The court held that the findings of the employment tribunal are relevant and the findings depicts the strong control of Uber over the drivers.

Uber sets the terms of the contract, which cannot be changed. Uber sets the fares for passengers. Uber keeps track of its drivers' acceptance rates, and if a driver's acceptance rate is lower than expected, they face penalties. The kind of vehicles that drivers utilise is determined by Uber. Should the driver's performance rating be excessively poor, they can receive a warning before being fired. Uber forbids communication between the driver and the customer, which inhibits the driver from building a lasting rapport with the customer. Other than putting in more hours, the drivers have no other option to raise their pay.

The case suggests that the primary factor in Uber's decision to reclassify its drivers as employees rather than independent contractors was the company's intense control over them. Only the drivers who filed the claim against Uber will be subject to the judgment, as it was rendered based on the facts of the case. That does not essentially imply that other Uber drivers would be considered employees. However, the ruling has established a crucial precedent that will support more lawsuits against Uber. Uber UK has promised to pay all of its drivers in the UK a guaranteed minimum wage, paid time off, and a pension plan; however, this payment will only be made from the moment a ride is scheduled, not from the moment the driver opens the Uber app and becomes available for work. As a result, Uber drivers will still receive a portion of the shortfall.

6 The Phenomenon of Technology and Gig Economy

Technology has come to stay and it has to be accepted and also justified in order to ascertain its suitability and sustainability. To determine this, the importance of the phenomena has to be considered. Is the phenomenon necessary? Is it needed? Is it sustainable? The effect of the new technology also has to be considered, its benefits, the disruptive effect it would have and the reverse reactionary effect that would come up after. [48]The fairness and the just effect of the phenomenon also has to be taken into consideration. Uber is a gig economy and the Uber app platform is a technological phenomenon through which users connect to Uber drivers. Long before the emergence of Uber, transportation system of individuals was a direct physical negotiation dealing which occurs between the driver and the passenger. Uber in contemporary times has come to ease the movement of individuals from one location to another which indicates that it is a necessary phenomenon. The *Uber's* case has brought about a reverse-reactionary effect as a result of the strong hold and control which Uber has over its drivers. Human beings love their freedom which is the assumption of the autonomous theory. Uber drivers would either have control or be upgraded to employee/worker status so as to enjoy necessary employment benefits. The decision of the court in the case can be linked to the equitable theory of technology which upholds the assumption that equal opportunity should be given to all players and stakeholders in technology. The high degree of Uber's control was the main reason for

[48]Indeed 'Disruptive Technology: Definition, Pros vs Cons and Examples' (2023) <https://www.indeed.com/career-advice/career-development/disruptive-technology&gt>accessed 19 May 2024

reclassifying the drivers as workers instead of independent contractors. The Uber drivers and Uber should have a level playing ground. One should not see itself as more superior to the other. There are various importance of technology to the gig economy. This importance promotes the principles behind a technological phenomenon, their existence and how to balance their operations in line with the law. However, this paper considers the necessity and privacy phenomena theory of technology in connection with Gig economy.

6.1 The Necessity Phenomenon of Technology

Technological advancements arise out of necessity, driven by the need to address specific challenges faced by individuals, organizations, or societies.[49] Hence, innovations are developed in response to perceived needs, with the aim of improving efficiency, productivity, or quality of life. In the context of the gig economy, technology is highly relevant as it helps to explain the emergence and growth of digital platforms that facilitate gig work. Technology has democratized access to gig work by connecting workers with clients or customers through online platforms. [50]This increased accessibility has enabled individuals from diverse backgrounds and skill sets to participate in the gig economy, regardless of their geographical location or traditional employment barriers. Digital platforms leverage technology to streamline the process of matching gig workers with tasks or projects, enabling efficient allocation of resources and rapid scalability. [51] Technology enables continuous innovation within the gig economy, with platforms constantly evolving to meet changing consumer preferences and market demands. [52] New features, services, and business models are regularly introduced to enhance competitiveness and differentiate platforms from their competitors. The necessity to remain competitive in a rapidly evolving market drives ongoing technological innovation within the gig economy. [53] Companies invest in research and development to stay ahead of the curve, develop proprietary technologies, and enhance platform functionalities to attract and retain users.[54]

6.2 The Privacy Phenomena of Technology

The privacy phenomena of technology emphasises the importance of protecting individuals' privacy rights amidst rapid technological advancements. [55] It contends that as technology evolves, there must be a balance between the benefits it offers and the protection of personal information. This phenomenon is particularly relevant in the context of the Gig economy, where the use of digital platforms and data-driven decision-making has profound implications for workers' privacy. [56] Modern technology facilitates extensive data collection from users,

[49] J Wolff, 'How is Technology Changing the World, and how should the World Change Technology' (2021) 2(1) Global Perspectives'< https://online.ucpress.edu/gp/article/2/1/27353/118411/How-Is-Technology-Changing-the-World-and-How&gt> accessed 20 May 2024

[50] T Santhosh, 'Impact of Technology in Business' (2018) 3(6) *International Journal of Management and Humanities*, 6-9

[51] Ibid.

[52] G Santosh,'Gig Economy and the Future of Work: Challenges and Opportunities' 2024) https://www.linkedin.com/ pulse/gig-economy-future-work-challenges-opportunities-santosh-g-vxwyc&gt> accessed21 May 2024

[53] Ibid.

[54] Ibid.

[55] A Bonatti *et al*, 'A Theory of the Effects of Privacy' (2023) <http://faculty.haas.berkeley.edu/ VILLAS/Privacy.pdf&gt> accessed 20 May 2024

[56] Ibid, 1 – 36.

including personal details, browsing habits, and location data.[57] Hence, the privacy phenomena advocate for stringent controls over how this data is gathered, ensuring it is done transparently and with user consent. [58] Beyond collection, privacy stresses the need for clear policies on data usage. [59] It argues that users should have a say in how their data is used, whether for targeted advertising, analytics, or other purposes. Privacy calls for robust security measures to protect personal information.[60]Individuals should have control over their own data, including the ability to access, correct, and delete it as needed. Gig platformsoften collect a vast amount of data on their workers and customers. This includes personal information, real-time location data, performance metrics, and user ratings. Many Gig platforms monitor workers' activities closely, tracking their location, work hours, and performance in real-time.[61] This constant surveillance can lead to a loss of privacy and increased stress for workers.[62]

Gig platforms use collected data to manage and evaluate workers through algorithms. These algorithms can make decisions about work allocation, pay rates, and deactivation, often without transparency or recourse for the workers. [63] It is necessary to ensure that Gig workers are fully informed about what data is being collected and how it will be used. Platforms should obtain explicit consent for data collection and use, providing clear explanations in user-friendly terms. Gig platforms should collect only the data that is necessary for their operations. [64] This reduces the risk of privacy violations and data breaches and robust security protocols must be implemented to protect Gig workers' data. This includes encryption, secure storage, and regular security audits to prevent unauthorized access. Privacy in technology promotes the importance of protecting individual privacy in the face of technological advancements. [65] In the gig economy, this means ensuring that platforms operate transparently, with robust data protection measures, and respect for workers' autonomy over their personal information as this would foster a fairer and more equitable digital labour market.

7 Conclusion

In conclusion, the gig economy stands as a transformative force in contemporary labor relations and economic dynamics, propelled by advancements in technology and evolving consumer behavior. However, its rapid expansion has brought to the forefront multitude of legal, social, and economic challenges that demand deliberate attention and proactive policy responses. The pervasive influence of technology platforms, particularly in algorithmic pricing and performance evaluation, highlights the necessity for regulatory interventions aimed at fostering fairness and accountability within the gig economy ecosystem. As algorithms increasingly shape the distribution of tasks, determine worker compensation, and assess performance, it becomes

[57]P Wisniewski and X Page, 'Privacy Theories and Frameworks' in Bart Knijnenburg and others (eds) Modern Socio-Technical Perspectives on Privacy (Springer 2022) 15-42

[58] Ibid.

[59] Ibid, 15 – 42.

[60]K Seamons, 'Privacy-Enhancing Technologies' in Bart Knijnenburg and others (eds) Modern Socio-Technical Perspectives on Privacy (Springer 2022) 149-170

[61]Ibid, 149-170.

[62] Ibid.

[63]H Richer, *et al*, 'Privacy and the Internet of Things' in Bart Knijnenburg and others (eds) ModernSocio-Technical Perspectives on Privacy (Springer 2022) 149-170

[64]Ibid, 149-170

[65]N Proferes, 'The Development of Privacy Norms in Bart Knijnenburg and others (eds) Modern Socio-Technical Perspectives on Privacy (Springer 2022) 79-90

imperative to establish robust regulatory frameworks that safeguard against potential biases, discrimination, and exploitation. Moreover, while the gig economy offers unparalleled opportunities for flexibility, autonomy, and market access, it also poses significant risks to labor rights and social equity. Issues such as worker misclassification, income instability, and unequal bargaining power underscore the need for policies that strike a delicate balance between fostering innovation and protecting worker interests. The emergence of the gig economy represents a significant shift in the landscape of modern labor relations, fueled by advancements in internet technology and the growing demand for flexible work arrangements. However, as this system becomes increasingly entrenched in our economy, it is imperative that app providers and policymakers alike recognize their responsibility to ensure fair treatment and adequate protections for gig workers. Despite its novelty, the gig economy has rapidly gained popularity, offering individuals newfound opportunities for economic participation and autonomy. Yet, the current state of work conditions and benefits for gig workers often falls short of what is necessary to support sustainable livelihoods. Therefore, there is a pressing need for policymakers to adapt existing laws and regulations, or develop new ones, that establish a framework for fair working conditions within the gig economy. In navigating the complexities of the gig economy, policymakers must prioritize the development of comprehensive and inclusive regulatory frameworks that promote fairness, transparency, and accountability. By harnessing the potential of technology while safeguarding against its unintended consequences, policymakers can pave the way for a gig economy that upholds the dignity and well-being of workers, fosters inclusive economic growth, and advances social justice objectives. Ultimately, achieving a harmonious balance between innovation and worker protection is essential to realizing the full potential of the gig economy as a driver of prosperity and progress. Through collaborative efforts and forward-thinking policy initiatives, policymakers can shape a future where the benefits of the gig economy are shared equitably, and its adverse impacts on labor rights and social inequality are mitigated effectively. Crucially, this framework should encompass provisions for essential benefits and the provision of necessary work tools for gig workers, addressing fundamental aspects of job security and well-being. The recent legal precedent set by the case of Uber vs Anslem, which granted gig workers employee status, underscores the importance of recognizing the evolving nature of employment relationships in the gig economy. However, the transition to employee status should not be confined to traditional notions of full-time employment. Instead, it should embrace flexibility, allowing gig workers the freedom to choose when and where they work without fear of losing their benefits. This model has proven successful in industries such as technology and sports, where individuals enjoy the autonomy to manage their work schedules while still receiving the benefits and protections of employee status. For organizations operating similar business models to Uber, the decision in *Uber's* case serves as a landmark ruling with far-reaching implications. It is likely to catalyze a wave of legal challenges from other gig workers seeking recognition of their rights and entitlements as employees. As such, app providers must be prepared to navigate this shifting legal landscape and adapt their practices accordingly to ensure compliance with labor laws and regulations. In conclusion, while the gig economy offers unprecedented opportunities for innovation and economic growth, it also presents complex challenges that require thoughtful consideration and proactive intervention. By prioritizing the well-being and rights of gig workers, app providers and policymakers can foster a more equitable and sustainable future for this burgeoning sector of the economy.

8 Recommendations

In determining the employment status of a gig worker, courts and tribunals will need to consider factors other than the terms of the contract. Even while it has a role, the contractual agreement will not be the deciding element. Because employment relationships might alter at any time, it is imperative to periodically check on the employment status of those whose services or skills are being used. Giving a self-employed employee as much autonomy as possible over their job is vital if you plan to hire them. It is impossible to limit or exclude employment legislation. Because they are essential to most of our daily transactions, gig workers are here to stay. Other recommendations include:

Enact Legislation and Regulatory Frameworks: legislations and regulatory frameworks to address the challenges posed by the gig economy. This is to acknowledge the need for formal rules and guidelines to govern the relationship between gig workers and platform companies, as well as to ensure fair labor practices and protect worker rights. Adequate legislation can help establish minimum wage standards, clarify worker classification (e.g., independent contractor vs. employee status), and mandate benefits such as healthcare and social security contributions. Regulatory frameworks can also address issues related to algorithmic transparency, data privacy, and consumer protection. By implementing clear and enforceable regulations, policymakers can create a more level playing field for gig workers while fostering trust and stability in the gig economy ecosystem.

Promotion of Dialogue and Collaboration: This recognizes the importance of engaging various actors, including government agencies, platform companies, workers' organizations, and consumer advocates, in discussions aimed at addressing shared challenges and developing solutions collaboratively. By fostering open communication and cooperation, stakeholders can identify common interests, exchange best practices, and work towards consensus-based approaches to governance and regulation. Moreover, dialogue and collaboration can help build trust, enhance transparency, and facilitate knowledge sharing, ultimately contributing to the sustainable development of the gig economy.

Develop Industry Standards and Best Practices: Industry standards can cover various aspects of gig economy operations, including worker rights, safety standards, dispute resolution mechanisms, and ethical business practices. By adhering to established standards, platform companies can demonstrate their commitment to responsible corporate behavior and build credibility with stakeholders. Similarly, gig workers can benefit from clear guidelines on acceptable practices, expectations, and avenues for recourse in case of grievances. Developing industry standards and best practices through multi-stakeholder initiatives can promote accountability, fairness, and sustainability in the Gig economy.

Gig workers should have control over their personal data. Platforms should provide easy-to-use tools for workers to access, correct, and delete their data. Workers should also have the ability to opt-out of data collection that is not essential to their work. Platforms should disclose how their algorithms use worker data to make decisions. This includes providing explanations for decisions made by algorithms and allowing workers to challenge and appeal those decisions.