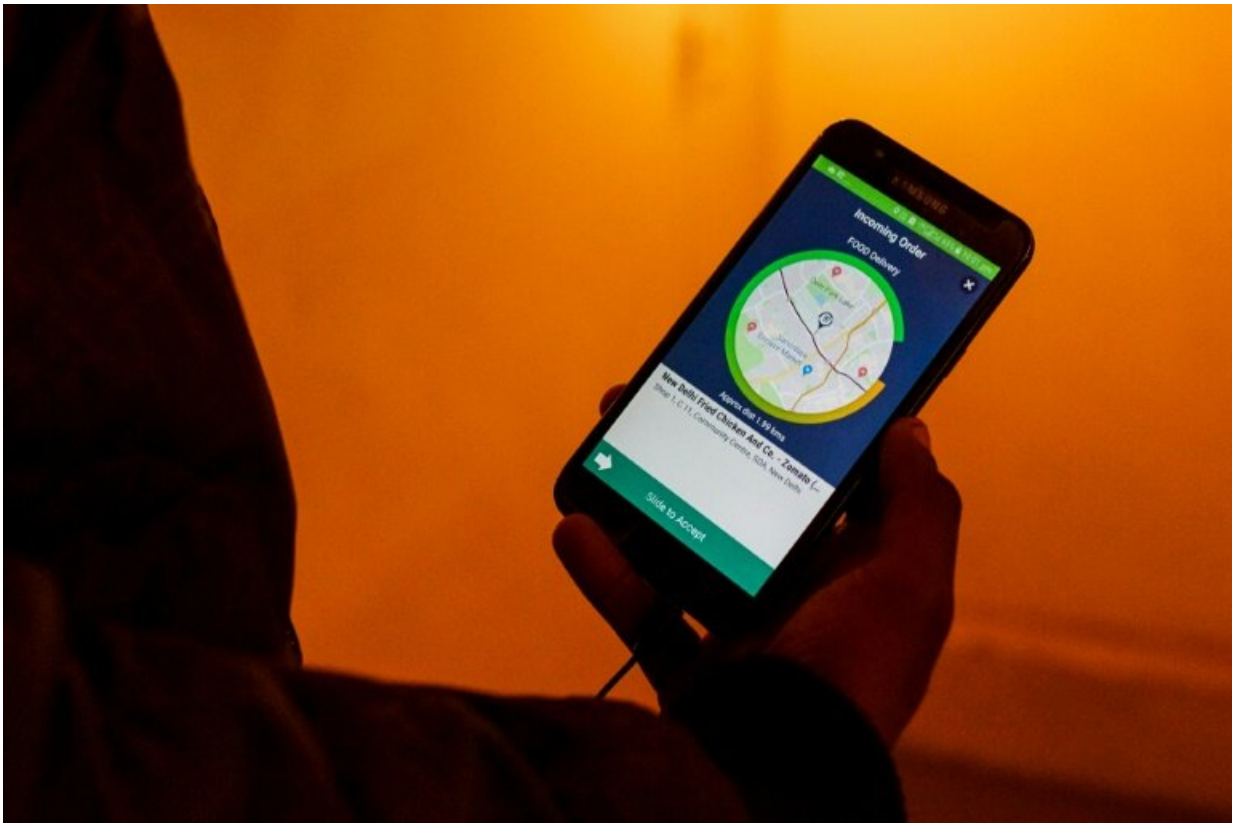


# App-based delivery men highlight India's growing gig economy

February 20 2019, by Vishal Manve

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The increasing use of food-ordering apps such as Zomato gives a much-needed opportunity for Indians to make money

Suraj Nachre works long hours and regularly misses meals but he treasures his job as a driver for a food delivery startup—working in a

booming industry that highlights India's expanding apps-based gig-economy.

The 26-year-old is one of hundreds of thousands of young Indians who, armed with their smartphones and motorcycles, courier dinners to offices and homes ordered at the swipe of a finger.

A surge in the popularity of food-ordering apps like Uber Eats and Swiggy provides a welcome source of income for many as India's unemployment rate sits at a reported 45-year high.

But they also shine a spotlight on the prevalence of short-term contracts in the economy, raising questions about workers' rights and conditions and the long-term viability of the jobs.

"(These delivery workers) are treated as independent contractors so labour laws governing employees are not applicable and they lack job security," Gautam Ghosh, a human resources consultant, told AFP.

"While jobs created by food delivery apps are crucial, they may not exist in 10 years so for the majority of youngsters they are a stopgap arrangement," he added.

India's army of food delivery drivers, mostly men but some women too, became a talking point on social media late last year when a rider for the Zomato platform was filmed sampling a customer's order.

The video, apparently shot on a [mobile phone](#), showed the man taking bites from several food parcels before wrapping them again. It sparked anger online and he was promptly sacked.

## **Rushing around**

Many internet users rallied to his defence, however. They insisted that the two-minute clip showed he was hungry and desperate, and said Zomato had acted harshly in dismissing him.



Food delivery platforms are taking off in India as an increasingly affluent and growing middle class enjoy the benefits of improved smartphone connectivity and cheap data plans

"It is a challenging job," said Nachre, expressing sympathy for the unnamed delivery man who was working in the southern city of Madurai before being fired.

"We work 12 hours straight in soaring heat and heavy rains. Sometimes I

don't even have time to eat," he added.

Nachre drives for the Scootsy platform. He leaves home at 9:00 am and does not return until after 1:00 am. Navigating Mumbai's abysmal traffic makes work stressful, he says.

"We're always in a rush to deliver and customers keep calling us. We know we have to be on our toes all the time or customers might complain and we may lose our [jobs](#)," Nachre told AFP.

India's food delivery apps, backed by major international investment, are offering new avenues of employment for Indian youngsters who lack higher education but possess a driving licence.

Their importance to the likes of Nachre was highlighted recently when a leaked government report said India's unemployment rate was 6.1 percent in 2017-18, the highest since the 1970s.

"This job is lucrative," said Nachre, who has no post-school qualifications and earns a minimum of 18,000 rupees (\$253) a month.

In his previous job running errands at an office he made only 8,000 rupees.

The app-based food delivery industry is worth an estimated \$7 billion to Asia's third-largest economy, according to market research firm Statista, and is expanding rapidly.

Swiggy announced at the end of last year that it had received \$1 billion in funding from foreign backers including South Africa's Naspers and China's Tencent.



As the Indian gig economy is expected to balloon to \$30 billion by 2025 there are calls for the government to step in to improve worker conditions

## **Foreign investment**

That put the valuation of the five-year-old company, headquartered in Bangalore, at more than \$3 billion.

Zomato, Swiggy's nearest challenger for market dominance, is being aggressively backed by Alibaba's Ant Financial. The Chinese giant recently pumped in \$210 million, valuing the Delhi-based startup at \$2 billion.

The food delivery platforms are soaring as India's growing middle

classes take advantage of better smartphone connectivity and cheap data plans that are fuelling a gig economy centred on technology.

Informal, casual labour has long been the bedrock of India's economy but now Indians can access a host of services on their phones from hiring a rickshaw to booking a plumber or yoga teacher.

FlexingIt, a global consulting agency, estimates the country's gig economy has the potential to grow up to \$30 billion by 2025.

Analysts say it is time the government started to regulate the sector.

"There is no regulator overlooking this sector. Working conditions definitely need to get better for these workers," Anurag Mahur, a partner at PricewaterhouseCoopers told AFP.

Thirty-year-old Tushar Khandagale, who delivers for Zomato, is the sole breadwinner in his family.

With millions of youngsters entering India's workforce every year and looking for a job, Khandagale would relish a long-term contract that offered him some security.

"I hope to stay in this job. It pays well and my family depend on me," he said.

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