

INDIAN ECONOMY

❖ **Blinkit protests and the legal remedies available to gig workers**

➤ **CONTEXT:** The recent strike by Zomato-owned Blinkit delivery agents has once again brought to the forefront the issues plaguing the gig economy in the country and the reforms required to stop the exploitation of such workers.

- The strikes began when Blinkit rolled out its new payout structure for delivery executives, under which the minimum payout per delivery was slashed to Rs 15 per delivery from Rs 25.
- The revised structure also bases incentives on the distance covered to execute the order— a policy commonly known as ‘effort’ based pay. As a result, Blinkit delivery executives are now set to earn Rs 600-700 a day as opposed to Rs 1,200 before.

➤ **NITI Aayog estimates**

- A 2022 report by NITI Aayog estimates that nearly 23.5 million workers will be engaged in the gig economy by 2029. However, since the gig economy falls outside the scope of traditional, full-time employment, gig workers are usually not afforded basic employment rights such as minimum wages, overtime pay, medical leave, and a statutorily bound resolution of employer-employee disputes.

➤ **Who is a ‘gig worker’ and what is ‘platform work’?**

- Gig workers refer to workers outside of the traditional employer-employee relationship. There are two groups of gig workers

- ✚ Platform workers
- ✚ Non-platform workers.

- When gig workers use online algorithmic matching platforms or apps to connect with customers, they are called platform workers. Those who work outside of these platforms are non-platform workers, including construction workers and non-technology-based temporary workers.
- Whether gig workers should be categorised as ‘employees’ or as ‘independent contractors’ has been a frequent debate. Across different jurisdictions, the test to determine whether a worker is an ‘employee’ or an ‘independent contractor’ depends on the extent of control and supervision exercised by the employer and the integration of the worker with the organisation.
- In India, employees are entitled to a host of benefits under statutes such as the Minimum Wages Act, 1948, Employees’ Provident Fund and Miscellaneous Provisions Act, 1952 (EPFA), and the Payment of Bonus Act, 1965. Similarly, contract labourers are governed under the Contract Labour (Regulation and Abolition) Act, 1970 and are also entitled to benefits such as provident funds in accordance with the EPFA.
- However, given the unique nature of gig work, gig workers display characteristics of both employees and independent contractors and thus do not squarely fit into any rigid categorisation. As a result, gig workers have limited recognition under current employment laws and thus fall outside the ambit of statutory benefits.

➤ **What is the proposed law for gig workers?**

- In keeping with the National Commission on Labour’s recommendation to consolidate central labour laws, the Ministry of Labour and Employment introduced the Code on Social Security, 2020 which brings gig workers within the ambit of labour laws for the first time.
- Under section 2(35) of the Code, a ‘gig worker’ is defined as ‘a person who performs work or participates in a work arrangement and earns from such activities outside of a traditional employer-employee relationship’.
- The Code defines platform work as ‘a work arrangement outside of a traditional employer-employee relationship in which organisations or individuals use an online platform to access other organisations or individuals to solve specific problems or to provide specific services’ in exchange for payment. Further activities can be added to this list via a Central Government notification.
- Although the Code recognises ‘gig workers’ including platform workers, it distinguishes between such workers and employees. While employees have benefits such as gratuity, employee compensation, insurance, provident fund, and maternity benefits, the Code only stipulates that Central and State Governments must frame suitable social security schemes for gig workers on matters relating to health and maternity benefits, old age security, education, provident funds, accident benefits, life insurance, disability insurance among others.
- The Central Government has also been tasked with establishing a social security fund for gig workers. Gig employers must contribute 1-2% of their annual turnover to this fund, which may be used for the aforementioned schemes.
- The Code also mandates the compulsory registration of all gig workers to avail of benefits under these schemes. The Code also envisages the constitution of a National Social Security Board by the Central government to monitor the implementation of such schemes.

➤ **What are some of the concerns?**

- Out of the four new labour codes proposed, gig work finds reference only in the Code on Social Security. As a result, gig workers remain excluded from vital benefits and protections offered by other Codes such as minimum wages, occupational safety and health benefits, and overtime pay.

- They cannot create legally recognised unions and access a national minimum wage that applies to all forms of employment.
- According to analyst even the proposed law does not guarantee minimum wages for gig workers.
 - ✓ “Minimum wages, which is presently governed by the Minimum Wages Act, will be subsumed under the Wages Code and the Wages Code again is only looking to protect those who fall under the traditional employer-employee relationship.
 - ✓ As of today, there is nothing to protect the minimum wage of a gig worker unless and until one can prove that the gig worker is actually an employee and that could be a challenge where engagements are structured in a way to ensure that one stays outside an employer-employee relationship”.
- Gig workers also remain excluded from accessing the specialised redressal mechanism under the Industrial Disputes Act, 1947, thus denying them an effective remedy for grievances against their employers. Considering the non-traditional nature of their work, gig workers also do not have the right to collective bargaining— a fundamental principle of modern labour law crucial to safeguard the rights of workers given the skewed bargaining power between employers and employees.
- However, despite receiving the assent of the President, the Labour Codes are still awaiting implementation three years on. The Centre has said that this is due to the delay in framing of rules by the States.
 - ✓ According to Central government in 2023 only a few States have not yet framed the rules.
- A 2022 report by Fairwork India, an international research project, highlighted the deplorable working conditions of the employees of digital labour platforms in India and the need for statutory affirmation of the rights of gig workers.
- With the gig industry gaining prominence across the world and legislations being passed to that effect, over and above social security benefits, it is possible to expect continuing challenges brought about by gig workers to protect their rights until the law is amended to protect their interests.
- **Can judicial intervention be expected?**
- On September 20, 2021, the Indian Federation of App-based Transport Workers (IFAT) filed a public interest litigation on behalf of gig workers before the Supreme Court. The petition demanded that gig workers or platform workers be declared as ‘unorganised workers’ so that they come under the purview of the Unorganised Workers’ Social Security Act, 2008 (UWSS Act) and are thus provided statutory protection in the form of social security benefits.
 - It has been contended that the exclusion of gig workers from the category of ‘unorganised workers’ or ‘wage workers’ under Sections 2(m) and 2(n) of the UWSS Act, is violative of their fundamental rights under Articles 14 and 21 of the Constitution.
 - ✓ It has been argued that such denial of social benefits amounts to exploitation through forced labour, within the meaning of Article 23.
 - Although the Supreme Court sought the Centre’s response to this petition back in December 2021, the Centre has not filed any response yet. No further hearing has taken place either.
- **What have international courts held?**
- In 2021, in a landmark judgment, the UK Supreme Court classified Uber drivers as ‘workers’ under the UK Employment Rights Act 1996, thus entitling them to various benefits like paid holidays and minimum wages. The Court ruled that since drivers are not permitted to charge more than the fare delineated by the app, Uber regulates the contact between the driver and the user, making it an intermediary.
- The Dutch High Court also handed down a similar ruling, stating that the legal relationship between Uber and the drivers meets all the characteristics of an employment contract, making them entitled to workers’ rights under local labour laws.
- In August 2021, the Superior Court of California struck down a 2020 ballot measure known as Proposition 22 that excluded gig workers from labour laws by declaring them ‘independent contractors’.
- Germany’s Temporary Employment Act provides for equal pay and equal treatment of gig workers. Further, Singapore has also proposed legislative changes to extend work injury insurance and pension coverage to such workers.

JUDICIAL ACTIVISM

- ❖ **Supreme Court’s powers under Article 142 – and their criticism**
- **CONTEXT: A five-judge or constitution bench of the Supreme Court Monday (May 1) held that a court can directly grant divorce under Article 142 of the Constitution, in cases where the marriage has irretrievably broken down, without referring the parties to a family court first, where they must wait for 6-18 months for a decree of divorce by mutual consent.**
- **What is Article 142 of the Constitution?**
- Article 142 provides a unique power to the Supreme Court, to do “complete justice” between the parties, where, at times, the law or statute may not provide a remedy. In those situations, the Court can extend itself to put an end to a dispute in a manner that would fit the facts of the case.
- **How have courts exercised this power?**

- While the powers under Article 142 are sweeping in nature, SC has defined its scope and extent through its judgments over time.
- In the Prem Chand Garg case, the majority opinion demarcated the contours for the exercise of the Court's powers under Article 142(1) by saying that an order to do complete justice between the parties "must not only be consistent with the fundamental rights guaranteed by the Constitution, but it cannot even be inconsistent with the substantive provisions of the relevant statutory laws," referring to laws made by Parliament. SC added "Therefore, we do not think it would be possible to hold that Art. 142(1) confers upon this Court powers which can contravene the provisions of Article 32 (right to constitutional remedies).
- The seven-judge bench in 'Antulay' upheld the 1962 ruling in 'Prem Chand Garg.'
- Notably, in the Bhopal gas tragedy case ('Union Carbide Corporation vs Union of India'), the SC in 1991 ordered UCC to pay \$470 million in compensation for the victims of the tragedy. In doing so, the Bench highlighted the wide scope of Article 142 (1), adding that it found it "necessary to set at rest certain misconceptions in the arguments touching the scope of the powers of this Court under Article 142(1) of the Constitution".
- Deeming the power under Article 142 to be "at an entirely different level and of a different quality", the court clarified that "prohibitions or limitations on provisions contained in ordinary laws cannot, ipso-facto, act as prohibitions or limitations on the constitutional powers under Article 142". Adding that it would be "wholly incorrect" to say that powers under Article 142 are subject to express statutory prohibitions, the court reasoned that doing so would convey the idea that statutory provisions override a constitutional provision.
- **What is the criticism of Article 142 and how have courts countered it?**
- The sweeping nature of these powers has invited the criticism that they are arbitrary and ambiguous. It is further argued that the Court then has wide discretion, and this allows the possibility of its arbitrary exercise or misuse due to the absence of a standard definition for the term "complete justice". Defining "complete justice" is a subjective exercise that differs in its interpretation from case to case. Thus, the court has to place checks on itself.
- In 1998, the apex court in 'Supreme Court Bar Association vs Union of India' held that the powers under Article 142 are supplementary in nature and could not be used to supplant or override a substantive law and "build a new edifice where none existed earlier".
 - ✓ The Court said that the powers conferred by Article 142 are curative and cannot be construed as powers "which authorise the court to ignore the substantive rights of a litigant while dealing with a cause pending before it".
 - ✓ Adding that Article 142 cannot be used to build a new edifice, ignoring statutory provisions dealing with a subject, the court also said that the provision cannot be used "to achieve something indirectly which cannot be achieved directly".
- More recently, in its 2006 ruling in 'A. Jideranath vs Jubilee Hills Co-op House Building Society', the Supreme Court discussed the scope of the power here, holding that in its exercise no injustice should be caused to a person not party to the case.
- Another criticism of the powers under Article 142 is that unlike the legislature and the executive, the judiciary cannot be held accountable for its actions. The power has been criticised on grounds of the separation of powers doctrine, which says that the judiciary should not venture into areas of lawmaking and that it would invite the possibility of judicial overreach.
- However, the Drafting Committee of the Indian Constitution was mindful of the wide-reaching nature of the powers and reserved it only for exceptional situations, which the existing law would have failed to anticipate.
- Additionally, the apex court has imposed checks on its own power under Article 142. In 2006, the SC ruling by a five-judge Bench in 'State of Karnataka vs Umadevi' also clarified that "complete justice" under Article 142 means justice according to law and not sympathy, while holding that it will "not grant a relief which would amount to perpetuating an illegality encroaching into the legislative domain."

PRELIMS

1. National SC-ST Hub Scheme

➤ **CONTEXT: PM appreciates success of National SC-ST Hub Scheme**

➤ **About**

- The National SC/ST Hub (NSSH) would provide professional support to the SC/ST enterprises enabling them to effectively participate in public procurement process.
- The Hub would also work towards the development of new entrepreneurs to participate in procurement process leveraging on the 'Stand up India' programme.
- Selected entrepreneurs would be provided with support and mentoring by industry experts, Central Public Sector Enterprises, and incubators.
- The Hub would operate out of the National Small Industries Corporation (NSIC) headquartered in Delhi.

• **Administrative structure:**

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- ✓ High Powered Monitoring Committee
 - Minister of MSME is the chairperson of the committee.
 - The committee members are representatives of various stakeholders including states, various ministries, industry associations & SC/ST entrepreneurs.
- ✓ Advisory Committee
 - This committee would work under the High Powered Monitoring Committee in order to bring the industry and SC/ST entrepreneurs' perspective to the Hub.
 - Purpose - developing an effective, mutually beneficial relationship between the target group and the Government.
- ✓ Empowered Project Approval Committee
 - This Committee would ensure flexibilities with a view to accommodate changing requirements of SC/ST entrepreneurs.

2. ASEAN India Maritime Exercise (AIME-2023)

➤ **CONTEXT: Indian Naval Ships Satpura and Delhi with RAdm Gurcharan Singh, the Flag Officer Commanding Eastern Fleet embarked onboard arrived at Singapore on 01 May 2023 to participate in the Inaugural ASEAN India Maritime Exercise (AIME-2023) scheduled from 02 to 08 May 2023.**

- The Harbour Phase of the exercise is scheduled to be held at Changi Naval Base from 02 to 04 May 2023 and the Sea Phase will be conducted from 07 to 08 May 2023 in the South China Sea.
- AIME 2023 will provide an opportunity for Indian Navy and ASEAN navies to work together closely and conduct seamless operations in the maritime domain.
- INS Delhi, India's first indigenously-built guided missile destroyer and INS Satpura, an indigenously-built guided missile stealth frigate are a part of Indian Navy's Eastern Fleet based at Visakhapatnam and function under the operational command of the Flag Officer Commanding-in-Chief, Eastern Naval Command.
- These ships are fitted with state-of-the art weapons and sensors. The ships, during their port call at Singapore, will also participate in International Maritime Defence Exhibition (IMDEX-23) and International Maritime Security Conference (IMSC) being hosted by Singapore.

3. PYGMY Hog

➤ **CONTEXT: African swine fever (ASF), the livestock illness that has decimated porcine populations across Asia since its advent in China in 2018, could deal a lethal blow to the pygmy hog, the world's rarest and smallest pig. It is "extremely susceptible to extinction" from ASF due to its small populations and limited range.**

➤ **About**

- Scientific Name: Porcula salvinia
- The pygmy hog is the smallest and rarest wild suid in the world.
- The species was historically known from only a few locations in northern West Bengal and north-western Assam in India, though it is now believed likely to have occurred in an extensive area of tall, alluvial grasslands south of the Himalayan foothills from north-western Uttar Pradesh and southern Nepal to Assam, possibly as far as southern Bhutan.
- After at least two decades without reported sightings the species was already feared extinct.
- However, in 1971 it was coincidentally 'rediscovered' in two separate locations in north-western Assam; namely Barnadi Reserve Forest in Darrang District and Manas National Park.

➤ **Habitat and Diet**

- Pygmy Hogs prefer undisturbed patches of grassland dominated by early successional riverine communities, typically comprising dense tall grass intermixed with a wide variety of herbs, shrubs and young trees.
- The species is not found in areas subject to prolonged inundations during the monsoon.
- Pygmy Hogs feed on roots, tubers, shoots and ground vegetation, along with worms and other invertebrates and, probably, small vertebrates (e.g. reptiles and the eggs and nestlings of ground nesting birds).

➤ **Status and conservation**

- The IUCN has listed Pygmy Hogs as Critically Endangered.
- It is also listed in the Schedule I of the Indian Wildlife (Protection) Act, 1972.
- The main threats to survival of Pygmy Hog are loss and degradation of habitat due to human settlements, agricultural encroachments, flood control schemes, and traditional forestry management practices.
- Some management practices, such as planting of trees in the grasslands and indiscriminate use of fire to create openings and to promote fresh growth of grass, have caused extensive damage to the habitats the authorities intend to protect.

➤ **What is African swine fever?**

- African swine fever (ASF) is a highly contagious viral disease of domestic and wild pigs, whose mortality rate can reach 100%.

- It is not a danger to human health, but it has devastating effects on pig populations and the farming economy.
- There is currently no effective vaccine against ASF.
- The virus is highly resistant in the environment, meaning that it can survive on clothes, boots, wheels, and other materials.
- It can also survive in various pork products, such as ham, sausages or bacon. Therefore, human behaviours can play an important role in spreading this pig disease across borders if adequate measures are not taken.
- 74 countries have reported ASF cases since 2005 and as of July 2022. In January 2022, ASF genotype II was notified on the Italian mainland after around 40 years of absence. Two new countries reported the first occurrence of the disease in January as well: North Macedonia and Thailand. In March 2022, ASF was reported for the first time in Nepal.

ANSWER WRITING

Q. Progress on achieving the Sustainable Development Goals (SDG) seems to be slowing down in India. Examine the hindrances the country is confronting in attaining its SDG targets.

The Sustainable Development Goals (SDGs) framework sets targets for 231 unique indicators across 17 goals related to economic development, social welfare and environmental sustainability, to be met by 2030. A study covering nine SDGs held that India is on-target to meet certain indicators of neonatal and under-five mortality, full vaccination and electricity access. However, certain SDG indicators related to women's well-being and gender inequality etc, paint a worrying picture. Also, the progress on these targets does not apply equally to all the districts in the country.

Hindrances faced by the country in achieving SDG targets:

- Bottlenecks in the localisation of SDGs: The process of policy and budget making, planning, and implementation is not clearly reflecting SDGs at the level of State and local governments. Further, the devolution of funds, functions and functionaries (3Fs) to local governments is still not achieved in most of the States. Hence, local governments, both rural and urban, are not able to prepare people's plans and local budgets for their respective areas through people's participation.
- Issues in implementation strategy: Like NITI Aayog, the State Planning Departments/Boards in the States have been made nodal agencies to oversee the process of implementation of SDGs at the State level. So far, many states are not prepared for the implementation of SDGs, given their capacity in terms of the adequacy of financial and human resources and decentralized planning processes followed by them.
- Financing SDGs: India requires 170 billion dollars per year from 2015 to 2030 to fulfil the SDG targets. Investments are particularly required towards achieving SDGs 3 and 4, i.e., good health and well-being and quality education.
- Challenges in achieving gender equality: The SDG 5, which stands for gender equality, has been the toughest to fight and establish in India. According to a study, India will not meet the SDG on gender equality by as late as 2090. The difficulty in achieving gender equality lies more in the implementation of laws and schemes and breaking the cultural and patriarchal knot that exists within the country.
- Challenges created by the pandemic: All the 17 SDGs are interlinked and the impact on one can derail the efforts to achieve other SDGs. The pandemic has affected health and well-being, pushed millions into poverty, leading to a rise in inequality. Covid has also led to a worsening of education inequalities.
- Issues in the monitoring of SDGs: Monitoring of outcomes has been one of the major challenges under SDGs due to the lack of preparation of development indicators at State, district and block levels. The framework of monitoring and tracking the development benefits adopted at the central level also lacks focus on the inclusion of marginalized communities, even though social inclusion is one of the three pillars of SDGs.

Way Forward:

- Enhancing financial resources: The focus should be on increasing the budgetary allocation for low-performing indicators of SDG, such as health, education, and gender equality.
- Building political will: The focus should be on creating strong and sustained political leadership supported by a responsive administrative structure at all levels, from the national to the district level.
- Data-Driven approach: India must put in place a coordinated, public data platform by consolidating its many siloed platforms into an integrated digital resource for district administrators, as well as State and national policymakers.
- Preparing a decadal plan: There is a need to innovate a new policy path by taking a time-driven approach. Preparing a decadal plan for SDG indicators can help in proper monitoring and targeting.
- Linking existing government schemes to SDGs: In the current policy landscape, there are existing programs and frameworks in place that can be linked to the indicators of SDGs. For example, programs such as Pradhan Mantri Awas Yojana, the Ujjwala Yojana 2.0 and the Jal Jeevan Mission are all relevant for SDG 1 i.e., to end poverty in all its forms everywhere.

India's commitment to the SDGs is reflected in its convergence with the national development agenda as reflected in the motto of Sabka Saath Sabka Vikaas. To succeed in meeting SDG targets, especially those related

to population health and well-being, basic quality infrastructure, and gender equality, a nationwide effort would be the need of the hour.

MCQs

- Consider the following statements regarding the "Gig" economy:
 - China and the United States are the top two ranked countries with the highest number of gig workers.
 - At present, more than 50% of new employment in India is generated by the gig economy companies across both the blue-collar and white-collar workforce.
 - Code on Social Security, 2020 aims to provide labor rights to gig workers.

Which of the statement/s given above are not correct?

 - 1 only
 - 2 only
 - 1 and 3 only**
 - 2 and 3 only
- Consider the following statement with respect to African swine fever :
 - It is a highly contagious and deadly viral disease in pigs.
 - It can affect both domestic and feral pigs.
 - It can cause fever and blood clotting in humans.

Which of the statements given above are correct?

 - 1 and 2 only**
 - 1 only
 - 2 and 3 only
 - 2 only
- With reference to Pygmy Hogs consider the following
 - It is an indicator species as its presence reflects the health of its primary habitat, tall and wet grasslands.
 - It is protected under the same Schedule of Wild life protection Act 1972 under which Tiger is protected.
 - The only viable population in the wild is in the Manas Tiger Reserve in Assam.

Which of the above statement/s is/are correct?

 - 1 only
 - 2 and 3 only
 - 1 and 3 only
 - 1,2 and 3**
- With reference to the Constitution of India, prohibitions or limitations or provisions contained in ordinary laws cannot act as prohibitions or limitations on the constitutional powers under Article 142. It could mean which one of the following?
 - The decisions taken by the Election Commission of India while discharging its duties cannot be challenged in any court of law.
 - The Supreme Court of India is not constrained in the exercise of its powers by laws made by the Parliament.**
 - In the event of grave financial crisis in the country, the President of India can declare Financial Emergency without the counsel from the Cabinet.
 - State Legislatures cannot make laws on certain matters without the concurrence of Union Legislature.
- With reference to National SC-ST Hub (NSSH) Scheme consider the following statements
 - It is an initiative of Ministry of Micro, Small and Medium Enterprises.
 - It is applicable to green field SC/ST Entrepreneurs startups only.

Which of the above statement is/are correct?

 - 1 only**
 - 2 only
 - Both 1 and 2
 - Neither 1 nor 2
- Which of the following Navy Warships participated in ASEAN-India Maritime Exercise 2023?
 - INS Delhi
 - INS Himadri
 - INS Tarini
 - INS Satpura

Choose the correct answer using the codes given below

 - 1 and 2 only
 - 2 and 3 only
 - 1 and 3 only
 - 1 and 4 only**
- Which of the following are considered as the "laundromat" countries?
 - India
 - China
 - United Arab Emirates
 - Singapore
 - Turkey

Choose the correct answer using the codes given below

 - 1,2 and 3 only
 - 2,3 and 5 only
 - 1,2,3 and 4 only
 - 1,2,3,4 and 5**
- The term 'West Taxes Intermediate', sometimes found in news to a grade of
 - Crude oil**
 - Bullion
 - Rare earth elements
 - Uranium
- Consider the following statements:
 - The Forest Right Act 2006 provides a legal framework for converting all forest, unsurveyed villages or habitation on forestland into revenue villages.
 - Under the act Gram sabha is the authority to initiate the process for determining the nature and extent of individual or community forest rights or both.

Which of the above statements is/are correct?

 - 1 only
 - 2 only
 - Both 1 and 2**
 - Neither 1 nor 2
- Achanakmar Tiger Reserve (ATR) recently seen in news is located in which of the following state?
 - Chhattisgarh**
 - Jharkhand
 - Odisha
 - West Bengal