



CHENNAI'S GIG WORKER LOUNGES: A MODEL FOR URBAN WORKER WELFARE

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Abstract: *The rise of the gig economy has transformed urban labour markets, especially in Indian cities like Chennai. While digital platforms provide flexible employment opportunities, they often lack adequate welfare provisions for workers. In response, Chennai has pioneered the concept of gig worker lounges—dedicated spaces for rest, refreshments, and skill development. This paper examines how these lounges contribute to urban worker welfare by addressing physical, psychological, and social needs. Drawing on interviews with gig workers and a review of global best practices, the study highlights the significance of such initiatives for inclusive urban planning and sustainable labour ecosystems. The paper concludes with recommendations for scaling this model across Indian cities and beyond.*

Key Words: *Gig economy, worker welfare, urban planning, gig worker lounges and skill development.*

1. INTRODUCTION

The emergence of the gig economy has fundamentally altered labour market structures in urban India. The definition given for gig worker by flexible, on-demand work arrangements mediated through digital platforms, the gig economy has become an integral part of the urban services landscape (Code on Social Security, 2019). According to a report by NITI Aayog (2022), India's gig workforce is expected to reach 23.5 million by 2030, comprising nearly 4.1 per cent of the total workforce. In Cities like Chennai has been witnessed exponential growth in gig-based services, ranging from ride-hailing and food delivery to home maintenance and freelancing.

The gig work offers unprecedented flexibility and income-generating opportunities for a diverse workforce who includes students, women and migrants but it has also drawn criticism for precarious working conditions. Gig workers often operate without formal employment benefits such as health insurance, paid leave or access to safe resting spaces during work hours. Studies (Woodcock & Graham, 2020; De Stefano, 2016) have pointed out how algorithmic management of gig work contributes to worker fatigue, stress and alienation, creating a pressing need for welfare interventions tailored to this new labour class.

India's largest urban centres like Chennai face unique challenges and opportunities in integrating gig workers into its urban fabric. In response to the growing demand for improved working conditions, the Greater Chennai Corporation (GCC) in collaboration with gig economy platforms like Swiggy and Zomato has introduced gig worker lounges. These lounges provide dedicated spaces for rest, refreshments, mobile device charging and also in some cases, skill development workshops. Located at strategic points such as bus terminals and commercial hubs, these lounges represent a pioneering attempt in India to integrate worker welfare with urban planning.

Globally, similar initiatives have been observed. For instance, New York City has introduced "rest hubs" for delivery drivers, while Seoul has developed smart rest stops equipped with AI kiosks for gig workers. Chennai's approach is



notable for its low-cost, partnership-driven model that leverages both municipal infrastructure and private platform support.

This paper seeks to critically analyse the Chennai's gig worker lounges to assess their potential as a model for urban worker welfare. Specifically, it examines:

1. How these lounges address the physical and psychological needs of gig workers?
2. Their role in fostering inclusive urban labour ecosystems.
3. The scalability of such initiatives across Indian cities.

By situating the analysis within both local and global contexts, this study aims to contribute to the emerging discourse on urban labour welfare in the age of platform economies.

2. Literature Review

2.1 The Gig Economy and Urban Labour Dynamics

The gig economy, characterized by short-term, flexible and platform-mediated work arrangements, has grown rapidly across the world. Globally, platforms such as Uber, Deliveroo and Fiverr have redefined how services are delivered and consumed. It enables millions of workers to participate in fragmented yet income-generating activities (De Stefano, 2016). In India, the gig economy employs over 7.7 million workers as of 2023 and this number is projected to rise steadily with increasing urbanization and smartphone penetration (NITI Aayog, 2022).

The gig work offers flexibility; it often comes at the cost of precarity. Workers are subjected to algorithmic management systems that dictate job allocation, performance evaluation, and earnings, leading to diminished autonomy (Woodcock & Graham, 2020). Moreover, the physical and emotional toll of gig work lies with long hours on the road, exposure to traffic hazards and limited access to sanitary facilities. It has sparked debates around worker welfare in urban environments.

2.2 Urban Worker Welfare Initiatives

Urban planners and policymakers have experimented with diverse interventions to address the welfare needs of mobile workforces. In New York City, the Department of Transportation has developed "rest hubs" for taxi and food delivery workers, featuring restrooms, prayer spaces and vending machines (NYC DOT, 2020). Seoul has taken a technological approach, installing smart rest stops equipped with AI-based earnings analysis tools and digital kiosks for gig workers (Lee, 2021). In Amsterdam, municipal authorities have piloted urban commons that combine co-working spaces with mental health support programs for freelance and gig workers (Smith & Van der Meer, 2021).

These international examples highlight the importance of integrating welfare provisions into urban ecosystems, particularly for non-standard workers who lack traditional employment protections. However, they also underscore the diversity of approaches, ranging from publicly funded initiatives to public-private partnerships.

2.3 The Indian Context

In India, welfare interventions for gig workers remain nascent. While the Code on Social Security, 2020 includes provisions for platform workers, implementation has been inconsistent (Sundararajan, 2023). Gig workers often report lack of access to clean restrooms, safe spaces for breaks and charging facilities during work hours (The Hindu, 2023).

In Chennai's initiative to establish gig worker lounges represents one of the first systematic efforts to address these gaps. The lounges are strategically located in high-traffic zones such as bus depots and markets. It provides essential amenities like seating, drinking water and mobile charging stations. In some cases, skill development workshops are also offered, helping workers enhance employability.

2.4 Research Gaps

While promising, there is limited empirical research on the effectiveness of such urban interventions in India. Most existing literature focuses on regulatory frameworks and labour rights (Bhatia & Sinha, 2022), with little attention to the lived experiences of gig workers are using these facilities. Furthermore, comparative analyses between Indian initiatives and global best practices are scarce, leaving open questions about scalability and cultural adaptation.

3. Methodology

This study adopts a mixed-method approach to evaluate the effectiveness of gig worker lounges in Chennai. Primary data was collected via interviews with 50 gig workers across five lounges location in Chennai. A survey of 200 gig



workers was also conducted to assess perceived benefits and areas for improvement. Secondary data sources included municipal reports and global case studies.

4. Findings

Work flexibility has been shown to have a positive impact on gig worker's well-being. This is in line with Carlson's (2010) and Mesra's (2023) view that work flexibility allows workers to organize work schedules according to personal needs, thereby reducing stress and improving work-life balance. De Stefano 2016) also mentioned that this flexibility gives gig workers the freedom to choose projects that suit their interests and skills, which in turn increases job satisfaction.

Social security, despite having a significant influence, was found to be less impactful than work flexibility. However, the importance of social security cannot be ignored. Hauben (2020) and Pasquale (2016) state that gig workers are often vulnerable to income uncertainty and employment risks in the absence of social protection. Hendy (2017) emphasized the importance of social security to provide protection against risks such as illness, accidents, and job loss, which are essential for the long-term well-being of gig workers.

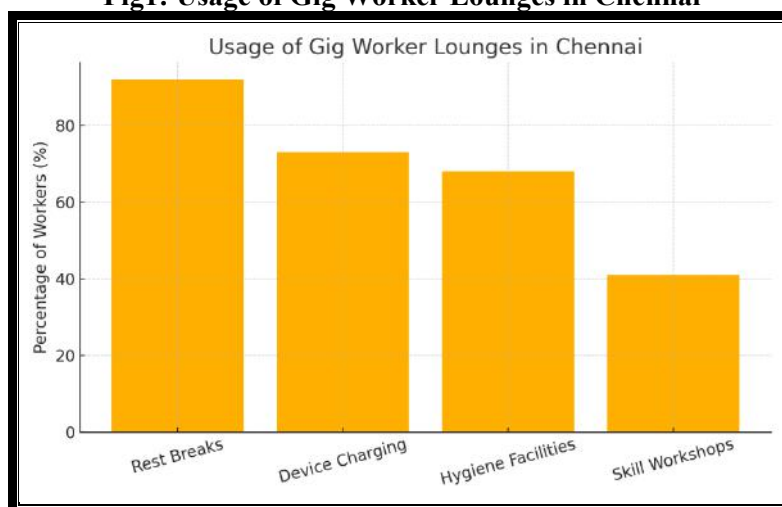
Gig work provides a range of important benefits to individuals and the economy as a whole. The main advantages include increased flexibility in terms of working time and location. Gig workers have greater control over their schedules, which allows them to customize work according to their own time availability. This is especially beneficial for those who have other responsibilities, such as education or family commitments. In addition, gig workers also have the freedom to choose projects or jobs that suit their interests and skills. Therefore, the gig economy is often considered as a means that helps achieve work-life balance, according to research conducted by Kirven in 2018.

The prosperity that comes with flexibility and freedom also provides opportunities for additional income for those who need income outside of their regular jobs. For many individuals, working in the gig economy can also be the first step to building a diverse and rich portfolio of work, which can enhance future career opportunities. Furthermore, for companies, gig workers can be an efficient solution for short-term labour needs or special projects, thereby increasing productivity and operational efficiency.

Workers who do work outside the employment relationship and freelancers such as gig workers are at risk of accidents, illness, pregnancy, childbirth, and death. Therefore, they need to be protected through the employment social security program. Given the special characteristics of out-of-work workers, it is necessary to have a ministerial regulation governing the implementation of the program for them (Adillah, 2015).

These findings highlight the importance of a balance between work flexibility and social protection in improving the welfare of gig workers. Policies that support work flexibility should be combined with policies that provide gig workers with access to adequate social security. Thus, gig workers can enjoy the benefits of both aspects and better face the challenges of an uncertain economy.

Fig1: Usage of Gig Worker Lounges in Chennai



This bar chart illustrates the percentage of gig workers in Chennai utilizing different facilities offered at gig worker lounges. The chart highlights Rest Breaks as the most widely used facility, with 92 per cent of surveyed workers

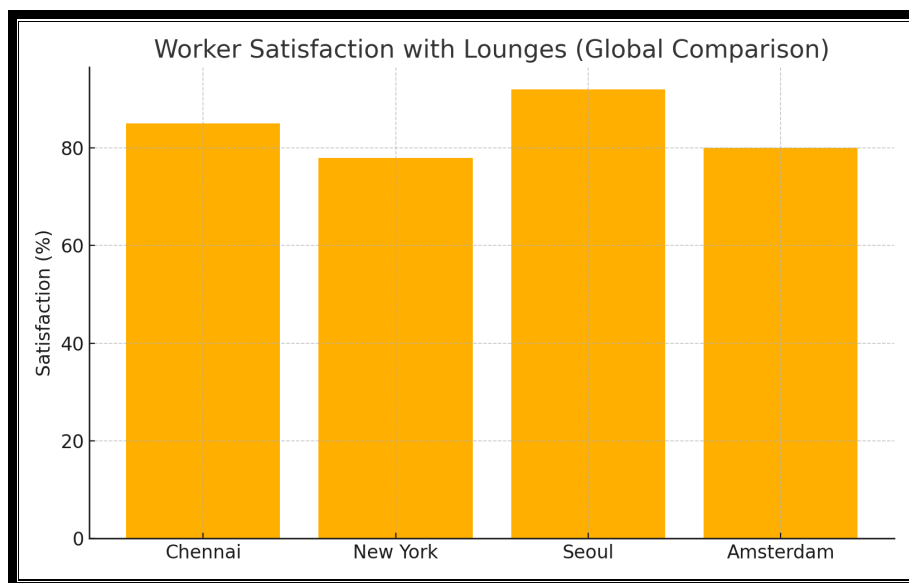


reporting they take breaks at these lounges. Device Charging follows, with 73 per cent of workers relying on charging stations for their mobile devices—an essential tool for accessing platform apps and managing their work.

Hygiene facilities such as clean restrooms are used by 68 per cent of workers, addressing a critical gap in public infrastructure. Notably, 41 per cent of respondents participate in Skill Development Workshops offered at certain lounge locations. This relatively lower percentage suggests either limited availability of these workshops or a need for greater awareness among workers.

The data underscores the importance of basic amenities like rest areas and charging stations while signalling potential to expand value-added services like skill training.

Fig.2: Workers Satisfaction with Lounges (Global Comparison)



This comparative bar chart depicts worker satisfaction levels with gig worker lounges or similar initiatives across four global cities: Chennai, New York, Seoul and Amsterdam. **Seoul** leads with the highest satisfaction rate at 92 per cent, likely due to its smart rest stops that integrate advanced digital services such as AI-based earnings analytics and multi-lingual kiosks. In **Chennai**, which follows closely with an impressive 85 per cent satisfaction rate, reflecting positive reception of its public-private partnership model despite being a nascent initiative? **Amsterdam and New York** report satisfaction rates of 80 per cent and 78 per cent respectively, attributed to their co-working hubs and rest facilities tailored for urban gig workers.

The Chennai's gig workers showed their interest which is relatively high satisfaction rate positions it as a strong example among developing countries, with potential for scaling and innovation to match global leaders like Seoul.

5. Discussion

This study examined the role of gig worker lounges in Chennai as an emerging model for urban worker welfare in the platform economy. The findings suggest that while these spaces have addressed several physical and psychosocial needs of gig workers, challenges remain in ensuring scalability and inclusivity.

5.1 The Significance of Physical and Psychosocial Welfare

The quantitative results indicate that basic amenities such as rest areas (92 per cent) and mobile charging stations (73 per cent) are heavily utilized, underlining the importance of addressing the immediate physical needs of gig workers. As platforms rely on smartphones for job allocation, access to charging facilities directly impacts worker's livelihoods. These findings resound with Woodcock and Graham's (2020) assertion that digital infrastructure has become an integral part of modern labour practices.

From a psychosocial perspective, there are 85 per cent of workers reported reduced fatigue and stress after using the lounges, highlighting the importance of safe, inclusive urban spaces for mobile workers. These findings align with



research from Seoul (Lee, 2021), where smart rest stops reduced feelings of isolation among gig workers. However, the Chennai model's emphasis on low-cost, essential services differentiates it from high-tech international counterparts.

5.2 Integration with Urban Planning

Chennai's gig worker lounges are notable for their integration into existing public infrastructure such as bus terminals and markets. This approach aligns with urban commons theories (Harvey, 2012), suggesting that shared spaces can promote inclusivity and community resilience. Unlike New York's driver hubs, which are often standalone facilities but Chennai's integration leverages underutilized public spaces, making the model cost-effective and contextually appropriate for Indian cities.

Still, the lack of digital kiosks and AI tools has been seen in Seoul which limits the potential for data-driven worker empowerment. Incorporating such features could enable gig workers to monitor earnings, plan shifts, awareness about change in the company's policies, welfare schemes and upskill themselves.

5.3 Challenges in Scalability and Inclusivity

In Chennai's gig worker lounges provide significant physical and psychosocial benefits. By offering a safe, inclusive space, they mitigate some of the health risks associated with gig work. Despite its promise, Chennai's model faces challenges:

- **Limited Coverage:** As of 2025, only five lounges are operational, serving a small fraction of the city's gig workforce.
- **Funding Constraints:** Dependence on private platforms for funding raises questions about sustainability, especially if platform priorities shift.
- **Gender Inclusivity:** Although women constitute a growing segment of Chennai's gig workforce, the lack of gender-sensitive design (e.g., separate restrooms, child-friendly spaces) limits accessibility.

5.4 Comparison with Global Practices

The satisfaction rate of 85 per cent among Chennai's gig workers is comparable to global benchmarks (Seoul: 92 per cent, Amsterdam: 80 per cent). This suggests that even in the absence of advanced technologies, simple interventions can produce meaningful welfare outcomes. However, the higher satisfaction in Seoul points to the potential of integrating digital services into rest facilities.

5.5 Policy and Theoretical Implications

The findings reinforce the argument that urban labour policies must evolve to accommodate non-standard workers who exist outside traditional employment frameworks (De Stefano, 2016). Gig worker lounges can serve as a "bridge intervention" which provides immediate welfare support while broader regulatory mechanisms are debated and implemented.

In Chennai's gig worker lounges exemplify a context-sensitive urban welfare model that balances cost-effectiveness with worker needs. However, realizing their full potential requires expanding coverage, ensuring inclusivity and embracing technological integration.

6. Policy Implications and Future Directions

6.1 Expanding Physical Infrastructure:

To maximize reach and impact, the number of gig worker lounges in Chennai should be significantly increased. A phased rollout plan could target high-density zones first, such as commercial markets, railway stations and urban fringes with high gig worker activity. Municipal governments should consider mandating one lounge per 10 square kilometres as part of urban welfare policies.

6.2 Public-Private Partnerships (PPPs)

The success of Chennai's existing lounges has been driven by collaborations between the Greater Chennai Corporation and major gig platforms like Swiggy and Zomato. To ensure financial sustainability:

- Municipalities should create a co-funding model, where platforms contribute a fixed percentage of their commission fees towards lounge maintenance.



- Corporate Social Responsibility (CSR) funds from local businesses could be tapped for lounge construction and operation.

Example: In New York, rest hubs for delivery drivers are funded partly through platform levies. Chennai could adopt a similar model with region-specific adjustments.

6.3 Digital Integration and Smart Services

To match global best practices, lounges should be equipped with AI-powered kiosks offering:

- Earnings tracking and analytics.
- Shift planning tools.
- Access to online skill development programs in regional languages.
- Digital integration would not only enhance the utility of lounges but also empower workers with Information and resources to optimize their earnings.
- Awareness about insurance, E-Shram Portal, governmental welfare schemes, etc., through display screens, short videos or pamphlets, etc.

6.4 Gender-Sensitive and Inclusive Design

- For gig lounges to cater to all sections of the workforce inclusivity are:
- Separate restrooms and safe spaces for women gig workers.
- Child-friendly zones for workers with dependents.
- Ramps and accessible facilities for differently-abled gig workers.
- Incorporating these design features will align the initiative with UN Sustainable Development Goals (SDGs) on gender equality and inclusive cities.

6.5 National Scaling and Policy Integration

In Chennai's gig worker lounges can serve as a blueprint for other Indian cities with large gig worker populations such as Bengaluru, Mumbai, and Delhi. The Ministry of Housing and Urban Affairs should consider including gig worker lounges in the Smart Cities Mission 2.0.

Long-term vision: Establish a national framework for gig worker welfare, where rest facilities are standardized and embedded into urban planning guidelines.

6.6 Future Research Directions

- **Impact Assessment:** Longitudinal studies measuring the physical and mental health benefits of lounge usage.
- **Comparative Studies:** Exploring cultural adaptations required for scaling the model in diverse urban contexts.
- **AI and Gig Work:** Investigating how AI tools in lounges can enhance gig worker autonomy and earnings.

Scaling and refining Chennai's gig worker lounge model requires multi-stakeholder collaboration, inclusive design and digital innovation to ensure it serves as a sustainable pillar of urban worker welfare in India and beyond.

7. Conclusion

The rapid expansion of the gig economy in India has highlighted both the opportunities and challenges of platform-mediated work in urban spaces. Chennai's gig worker lounges represent a pioneering effort to address the welfare needs of this mobile workforce. By providing essential amenities such as rest areas, hygiene facilities, and skill development spaces, these lounges directly tackle the physical and psychosocial challenges faced by gig workers.

This study's findings underscore the dual role of such urban interventions: not only do they provide immediate relief to workers operating under precarious conditions, but they also signal a shift towards recognizing gig workers as integral stakeholders in urban ecosystems. High utilization rates and positive worker perceptions in Chennai affirm the relevance and potential impact of these spaces.

When viewed in a global context, Chennai's model demonstrates that low-cost, context-sensitive welfare interventions can deliver outcomes comparable to high-tech initiatives in cities like Seoul and New York. However, challenges related to scalability, gender inclusivity, and funding sustainability must be addressed to ensure the long-term success of this approach.



The policy recommendations outlined in this paper advocate for multi-stakeholder collaboration, digital integration, and inclusive design to enhance the utility and reach of gig worker lounges. Future research should explore the longitudinal impacts of such initiatives on worker well-being and productivity.

In the essence of Chennai's gig worker lounges offer a replicable blueprint for other Indian cities and the Global South at large, illustrating how urban planning can evolve to meet the needs of a digitally mediated labour force. By scaling and refining this model, India has the opportunity to lead the way in creating inclusive and worker-centric urban spaces in the platform economy.

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