Indian Economy · GS - III

How can India regulate platform-based mobility services while balancing innovation, passenger safety and the livelihood security of traditional transport workers?

EXAM YEAR	PAPER	SUBJECT
DAILY PRACTICE 24/11/2026	GS - III	Indian Economy

MARKS	WORD LIMIT
15	~250 words

Answer Hint

Platform economy, gig workers, regulatory framework, passenger safety, livelihood protection, social security, fair competition, cooperative federalism

Model Answer

Introduction

App-based mobility services, including bike taxis, have transformed urban transport by improving accessibility and creating flexible employment opportunities. However, their expansion raises concerns regarding safety, employment security and fair competition.

Key Regulatory Concerns

1. **Passenger safety:** Commercial use of private vehicles requires appropriate permits, insurance, driver verification and safety standards.

2. **Livelihood protection:** Unregulated competition may affect the earnings of licensed auto-rickshaw and taxi operators who bear higher compliance costs.
3. **Gig-worker vulnerability:** Platform workers often face uncertain incomes, algorithmic control and limited social security.
4. **Regulatory gaps:** Different State-level policies can create uncertainty for aggregators, drivers and passengers.

Balancing Innovation and Regulation

1. **Uniform minimum standards:** Establish clear national guidelines on licensing, insurance, vehicle fitness and passenger safety while respecting State powers.
2. **Fair competition:** Apply proportionate compliance requirements to traditional operators and platform-based services.
3. **Social security:** Extend appropriate accident coverage, health protection and welfare measures to gig and platform workers.
4. **Transparent platforms:** Require clear fare structures, grievance-redressal systems and accountability for algorithmic decisions.
5. **Consultative policymaking:** Involve transport unions, platform companies, passengers and State governments in regulatory decisions.

Conclusion

India should neither reject mobility innovation nor permit regulatory arbitrage. A balanced framework combining passenger protection, fair competition and worker welfare can make platform-based transport inclusive and sustainable.

BECOME IAS
AI POWERED UPSC PREP