The Gig Economy: More Flexible Work and What Else?

Key Takeaways

- Digital platforms are making short-term work easier to find, organise, and scale across countries, industries, and different types of workers.
- Gig work can provide flexibility and additional income, but greater dependence on it may also reflect financial pressure on households.
- Businesses gain flexibility from more variable labor costs, while workers often face less predictable income and weaker employment protection.
- Thailand faces a particular challenge because more than half of employed workers are already in informal employment, making questions of income security and social protection especially important as platform work expands.
- The policy challenge is not to eliminate flexible work, but to strengthen protection without removing the flexibility that workers and businesses value.

What Is the Gig Economy?

Suppose you finish your main job at 5 p.m. At 6 p.m., you start delivering food. On weekends, you sell products online or take freelance projects. You may have one career, but more than one source of income. This is increasingly part of the gig economy. For some, gig work is a side job. For others, it is their main source of income.

The term “gig” dates back to the 1920s, when jazz musicians used it to describe short-term performances. Today, gig work broadly refers to short-term, task-based or project-based work rather than traditional long-term employment. It includes delivery riders, ride-hailing drivers, designers, tutors, programmers and other independent workers. These jobs are not new but they are changing because of technology.

Smartphones, digital payments and online platforms can now connect workers with customers within seconds. A restaurant can use delivery riders without operating its own fleet. A programmer in Thailand can work for customers overseas.

Technology did not invent temporary work. It made it easier to organise and scale.

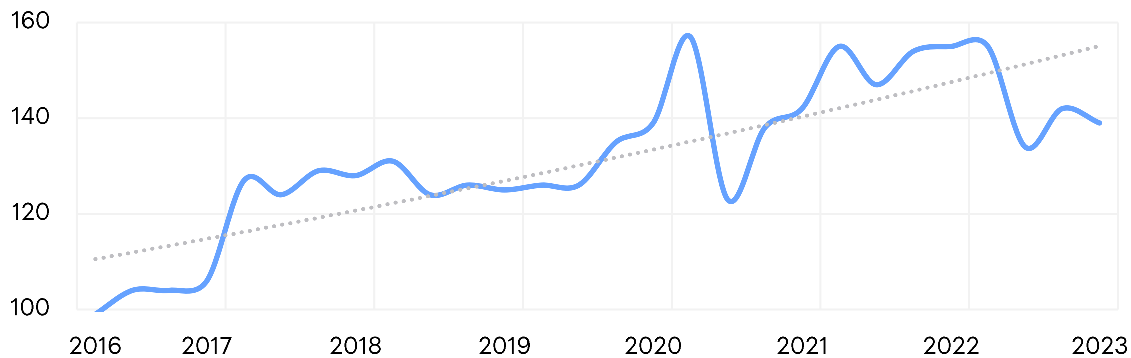
From Side Jobs to a Global Labor Market

While gig work was once viewed mainly as a side job. or temporary source of additional income, that picture is changing. The World Bank estimates that online gig work may involve 154-435 million people globally, equivalent to around 4.4-12.5% of the global labor force. This is a wide range because gig work is difficult to measure but it still makes it clear that this form of work has become a meaningful part of the global labor market.

The attraction of gig work is not only that it provides an important income buffer but its flexibility. A student can work around classes. A parent can work around family responsibilities. A full-time employee can use spare hours to earn additional income.

What matters is not only how many people are participating in the gig economy, but why they are doing it. If workers choose gig work because they value flexibility, it can represent opportunity. If they need several jobs simply to simply cover normal living costs, this is a sign of financial pressure.

Online Labor Demand Index (Index, June 1, 2016 = 100)



Sources: World Bank, Working Without Borders (2023).

The Workers Behind Technology

Gig work now extends far beyond delivery and ride-hailing. Workers can earn income through programming, translation, design, data processing and other online tasks including labelling data and preparing information used to train AI systems.

Technology is not only creating new jobs, it is also changing how work is managed. Platforms can use algorithms to allocate tasks, measure performance and influence how much work workers receive. This creates flexibility, but not always greater control for the gig worker.

Flexible for Businesses, Less Certain for Workers

For businesses, the economic benefit is clear. Gig work allows businesses to make labor costs more variable and they can adjust their workforce more closely to demand. The restaurant does not need permanent delivery staff. A startup can hire a programmer for one project. A company can add freelance workers when demand rises.

However, workers face employment uncertainty. Whereas traditional employees usually know how much salary will arrive each month, gig workers often do not. Their income may depend on customer demand, working hours, platform fees, ratings, and algorithms.

Irregular household income can make spending more sensitive to economic conditions. It can also make saving, retirement planning and access to credit more difficult. While traditional employment may include social security, paid leave, accident protection, and retirement contributions, gig workers often have to arrange these protections themselves.

The question is therefore not only, “How much can I earn today” but “what happens when I cannot work tomorrow?”

Thailand: When a Side Job Is No Longer Just a Side Job

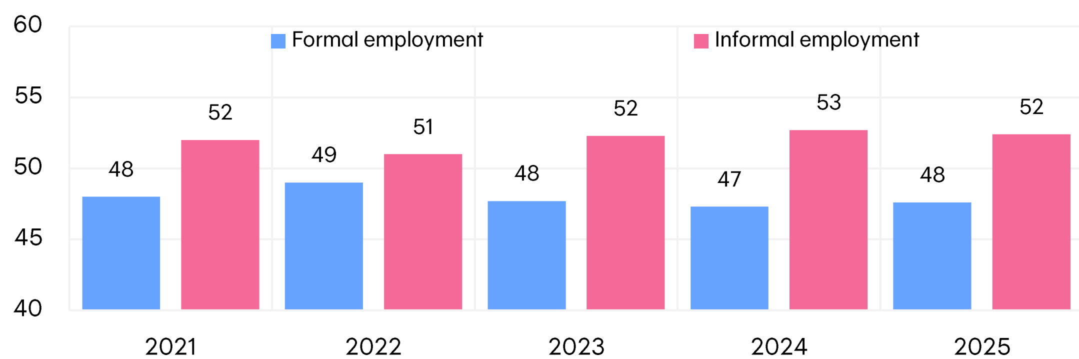
According to the National Statistical Office, more than half of employed workers in Thailand are in informal employment. These are not all gig workers but may be street vendors, motorcycle taxis, or other self-employed workers who existed long before smartphones. Digital platforms did not create this type of work. but they are increasingly changing how it is organised.

A motorcycle taxi driver can become a ride-hailing driver. A small restaurant can gain access to customers through delivery platforms. A freelancer can reach customers beyond their own city.

For many Thai households, additional income can make a meaningful difference. Even a few hundred baht earned after work may help pay for food, electricity, rent, or school expenses. In that situation, a side job may not feel like a side job at all. The key issue is whether workers are choosing greater flexibility or increasingly relying on additional work because one source of income is no longer enough.

That distinction matters for policy.

Thailand: Share of Employed Persons by Employment Status (%)



Sources: National Statistical Office of Thailand, Informal Employment Survey.

What Global Experience Shows

Governments are increasingly trying to protect gig workers without removing the flexibility that makes it attractive.

The European Union is moving toward common rules through its Platform Work Directive. The framework focuses on employment status and greater transparency around algorithmic management. EU member states must transpose the rules into national law by December 2026.

Singapore has focused more directly on social protection. Since January 2025, its Platform Workers Act has strengthened CPF savings, work injury compensation, and representation rights.

Australia has moved further on working conditions. Since August 2026, new minimum standards have applied to employee-like workers providing on-demand food and grocery delivery, including minimum pay rates and other protections.

India is also expanding its framework. Its Code on Social Security came into force in November 2025 and provides for social security schemes covering gig and platform workers.

The approaches differ, but the direction is similar: extending some of the protections associated with traditional employment to gig workers without turning flexible work into conventional employment.

There Is No Easy Solution

More protection can improve income security, but regulation also creates trade-offs. If rules become too costly or rigid, businesses may reduce opportunities for gig workers. Some of the flexibility that attracts workers could also disappear.

For Thailand, the challenge is not to choose between gig work and traditional employment. It is to build a labour market where flexibility, productivity and protection can develop together. The key question is how to preserve the benefits of flexible work without leaving workers to carry too much of the risk.

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