



Financial Vulnerability of Gig Workers: Insights and Implications for Social Protection Schemes

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Abstract

The emergence of a new business model by various online platforms has led people to venture in the gig economy. The gig workers, however, face issues like job insecurity and low social protection and are prone to social and economic cycle risks. Thus, this research aims to enhance understanding of the financial situation of gig workers in Malaysia. We interviewed 10 purposive selected gig workers, aged 24-58, using semi-structured interview questions within a pre-determined thematic framework. Our analysis showed that, although respondents claim to meet basic needs, they lack financial planning and future security awareness. The majority has no regular savings and lack coverage under social protection schemes, implying that they are financially not resilience. Nonetheless, considering the expenses involved, they have indicated a willingness to pay for social protection but they require a more adaptable system or scheme.

Keywords: Financial vulnerability, Financial literacy, Gig worker, Social protection, Willingness to pay



Introduction

The COVID-19 pandemic, which began in late 2019, has increased further the reliance on gig workers. The COVID-19 lockdown transformed the way people demand home-deliver necessities, transportation, and ad-hoc tasking services which increase participation in the gig economy (Friedland & Balkin, 2023). Gig workers are a relatively new phenomenon in the modern labour market. The term “gig economy” was coined around the turn of the 21st century to describe the growing trend of workers taking on short-term, flexible jobs or “gigs” rather than traditional full-time employment. This phenomenon marks the rise of the gig economy which exponentially increase the number of gig workers’ participation in the labour market. The same scenario can be seen in Malaysia, where businesses turned to gig workers to provide more flexible and cost-effective solutions for their labour. These changes have caused a long-term impact on the labour market with a rising trend of working remotely, and some occasions have demonstrated interference in the relationship between employers and employees, demonstrating a multifaceted change in the labour market.

Currently, there is no clear legal definition of a gig worker in Malaysia, but they are generally defined as individuals who work on a freelance basis and as independent contractors (Radzi et al., 2022; Zakaria, 2020). From a legal perspective, gig workers in Malaysia are not covered by the Employment Act 1955 (Act 265), the Labour Ordinance (Chapter 67, Sabah), and the Labour Ordinance (Chapter 76, Sarawak) (Malay Mail, 2021). This legal ambiguity creates inequalities for gig economy markets with a platform capitalist regime. To address this situation, the Malaysian government has taken a variety of schemes or programmes that are relevant to gig workers. These include the voluntary contribution with Retirement Incentive (I-SARAAN), enabling self-employed individuals to make voluntary contributions towards their retirement funds, and the Self-Employment Social Security Scheme (SESSS), aimed at safeguarding the welfare of self-employed and informal workers. However, only seven percent of the more than four million gig workers are registered in the self-employed social security system, and the regulatory and protective environment for gig workers is not yet in place in Malaysia (Habibullah et al., 2021; Zakaria, 2020).

They are increasingly becoming an important part of the workforce, but they may also face financial vulnerability and challenges that can make it difficult for them to make ends meet. The flexibility of working hours, however, does not secure the gig workers with sustainable living as the job provides an irregular income which made them a vulnerable group in the labour market. Unlike traditional employees who receive a steady pay check, gig workers’ income can be unpredictable and can vary significantly from week to week or month to month. This can make it difficult for them to budget and plan for their financial needs. Another challenge faced by gig workers is the lack of access to traditional benefits such as health insurance, retirement savings plans, and paid time off. Many gig workers are responsible for



providing their own benefits, which can be expensive and unaffordable for those with low or irregular income.

An additional issue of concern pertains to the absence of adequate social protection measures. The absence of social security can be a significant barrier to improving the financial health of gig workers. Without access to social security schemes and programs, gig workers may struggle to overcome financial hardships and may be unable to build financial resilience. The inability to provide financial protection may lower their ability to withstand life events impacting their income or assets (Rhyne & Gubbins, 2021). Improving the financial health of gig workers will allow for greater financial resilience, and may support the workers to rebound faster in terms of any economic shocks in the future. In addition, the workers must have the knowledge and tools to utilise the appropriate financial products and services regardless of their income level. Existing protection schemes for informal workers in Malaysia are mainly voluntary and self-administered, and the participation rate is still relatively low.

To the best of our knowledge, there are very limited paper within the Malaysian context that study social protection of gig workers. Among others is Uchiyama et al., 2022 "mendeley" :{"formattedCitation": "(Uchiyama et al., 2022 that focus on general overview working conditions by narrating their actual working and perceived inequalities. In addition to this, this paper aims to provide a deeper understanding of the financial vulnerability, resilience, inclusion and literacy among gig workers in Malaysia. By acknowledging the current financial situation and challenges we extend the analysis further by determining the level of their social protection, and willingness to pay towards it. The subsequent sections of this paper are organised as follows: the past studies are presented in the next section, followed by methods, findings and discussion, and finally the conclusion.

Past Studies

The significance of financial vulnerability and resilience involving the rising gig workers has gained attention among policymakers and academics due to its influence on the livelihood of the family in structural change and economic dynamics. Today's complex financial landscape together with the expansion of the gig economy, has brought about unique financial challenges for workers who rely on short-term contracts or freelance work. A review on financial vulnerability studies in eight countries suggest that low income, liquidity and disability to cope with financial distress are among the variables that determine households' financial instability (Lee & Sabri, 2017). Irregular nature of gig jobs has exposed the gig workers to financial distress which further impair income insecurities (Anwar & Graham, 2021). The vulnerability of gig workers highlighted the need to address the significant need for social protection. This may include providing giggers access to unemployment insurance and job retention schemes, sickness benefits, and health protection (ILO, 2023). Adequate and properly moulded social protection for the gig



workers will be the base for protection for the workers and safeguarding the labour market while enhancing efficiency and creating fairer competition (ILO, 2023).

Financial literacy is also one of the important elements that influence the ability of a worker to set his or her short and long term goals. It refers to the assessment of an individual's proficiency in comprehending and effectively utilising information related to personal finance. It reflects an instable financial situation of individuals or households due to financial risk.

Houston (2010) reviews various definitions of financial literacy, leading to a conclusion that it comprises four distinct elements namely basic concepts of money, borrowing and investing knowledge, and resource protection. Moreover, individuals can be deemed financially literate when they can effectively utilise their financial knowledge to make informed decisions related to finances.

Workers with financial knowledge are able to deal with economic and financial challenges and more open to embrace new policies. Despite of instability of income, some gig workers are confidence that they can achieve financial goal (Mitchell et al., 2021). Being an independent worker might be the push factor for a worker be equipped with financial knowledge in making short and long terms decision. Several studies also indicate that financial literacy is more prevalent among the self-employed than employed. The findings may vary depending on whether individuals are self-employed by choice or out of necessity due to a lack of other job opportunities. (Ćumurović and Hyll, 2019; Struckell et al., 2022).

As mention earlier, the issues of financial vulnerability and literacy are closely linked to the discussion of social protection. Social protection protects vulnerable groups from situations that will adversely affect their wellbeing. An initial snapshot of the literature on the social protection of gig workers was carried out and associated with bibliometric analysis. A database search was performed through Elsevier Scopus and the documents until April 2023. By applying the keyword TITLE-ABS-KEY (gig* AND worker*), the Elsevier Scopus database yielded 1457 results. Since this paper concentrates on the social protection on the rising gig workers the keywords later include gig* AND worker* AND Social* protection* OR Social* Security*), the results dropped to only 27 papers. Out of the 27 papers, we came across a single paper that pertains to the Malaysian context by Uchiyama et al. (2022). The study by Uchiyama suggests the possibilities of establishing a social protection framework for gig workers by recognising their working conditions and perceived inequalities. Alongside the existing evidence, it is possible to delve deeper into the financial aspects of the workers and explore their readiness to contribute financially towards social protection.

Since the pandemic, workers have turned to gig work as a secondary or even primary source of income. The current labour market landscape changed as s a result of rapid digital transformation, the proliferation of information and communication technologies, and the prolonged stagnation of the manufacturing sector (Uchiyama et al., 2022). Leonardi and Pirina (2020) describe workers on gig



platforms based on three types in Western nations. The first category consists of people who work gigs in addition to their full-time jobs as a learning experience and networking opportunity; the second category consists of people who diversify their sources of income by working gigs part-time; and the third category consists of unemployed people for whom working gigs is their only source of income and on which they primarily rely. The second and third groups are intimately connected to the working poor caused by the gig economy (Leonardi & Pirina, 2020). However, gig workers faced lower wages and lack of social protection, causing inequality to expand further especially in many developing economies (Heeks, 2017).

This has sparked discussions about the necessity of a new social contract that makes certain gig workers are given proper protection and benefits. Additionally, the gig economy has sparked debates about how the government should regulate it and protect workers from exploitation. De Stefano and Aloisi (2018) and Koutsimpogiorgos et al. (2020) have voiced concerns about the regulatory problem and the gig workers' employment status. The issue of the protection of gig workers has caught the attention of researcher for quite many years (De Stefano, 2015; Donovan et al., 2016; Harpur & Blanck, 2020), which prove further the need to further acknowledge the new model of social protection to inculcate the new phenomena in the labour market.

According to traditional worker protection, a contract is between the employee and the employer, whereas, gig workers may need different work protection based on the circumstances and platform used (Donovan et al., 2016). The current worker protection mechanisms, which are built around traditional employment ties, put new types of work, like gig labour, at risk of social exclusion because they do not provide social security (Aranguiz & Bednarowicz, 2018). This study provides evidence-based findings on the issue of gig workers which provides suggestions for improvement specifically on worker protection.

Materials and Methods

Data collection and instrument

In this study, we interviewed ten gig workers from all regions in Malaysia aged between 24 and 58 years old. They were purposively selected based on specific inclusion criteria – they fall under the working age category and are involved in gig or freelancing jobs. They were interviewed using a semi-structured questionnaire developed in the Malay language. The interview sessions took place between 30 May 2022 and 22 June 2022. An interview protocol has been carefully developed to ensure that the data collection adhere to specific procedures. The interview questions were designed to understand their financial vulnerability and resiliency, social protection coverage, and willingness to pay for social security. They were also asked about their future planning and suggestions to be put forward to policy-makers. Subject experts cross-checked all questions within and outside Universiti Utara



Malaysia to ensure reliability. Before the interview session started, the respondents were requested to give their formal consent by completing and signing the consent form. All information provided is confidential and used for research purposes only, and all sessions are audio-recorded. Each interview lasted approximately between 1 and 1.5 hours.

Thematic analysis

This study employed a qualitative deductive approach. Based on past studies on financial vulnerabilities among households (Anderloni et al., 2012; Lee & Sabri, 2017; Noerhidajati et al., 2021), several main themes have been pre-determined to measure the financial well-being of labours. After demographic profiling, we gathered information on their (1) Financial vulnerability and resiliency, (2) Financial awareness, inclusion, and literacy (3) Future planning and willingness to pay for social protection. After completing these questions, the respondents were asked how much they would be willing to contribute for social security premiums and their suggestions concerning social protection for gig workers. For each main theme, specific questions were asked, and respondents would answer or express their ideas freely based on their experience. The interviews were transcribed, and since answers can be cross-theme, responses were sorted and rearranged into the pre-determined themes for analysis.

Results and Discussion

Respondents' profiles

Ten respondents were interviewed to explore the gig workers' current financial situation, challenges, and future expectations. The profiles of the respondents are presented in Table 1.

Table 1 Profiles of the respondents.

| ID | Gig job | Region | Gender | Age | Marital status | Status of gig work Full time (FT)/Part Time (PT) | Main income earner? | Are you searching for a permanent job? |
|----|------------------------------|----------|--------|-----|----------------|--|---------------------|--|
| N1 | Direct selling agent | Southern | F | 24 | Single | PT | / | / |
| N2 | Homestay owner/ Photographer | Southern | M | 39 | Married | FT | / | x |



| | | | | | | | | |
|-----|---------------------------------------|------------|---|----|----------|----|---|---|
| N3 | Freelance dispatch/ Lalamove rider | Central | M | 58 | Single | FT | / | x |
| N4 | Contract chef | Central | F | 43 | Single | PT | / | x |
| N5 | Direct selling agent | Sabah | F | 34 | Single | FT | / | x |
| N6 | Freelance musician | Northern | M | 42 | Married | FT | / | x |
| N7 | Zumba instructor | Sabah | F | 37 | Married | FT | / | / |
| N8 | Grab Food rider | East Coast | M | 25 | Single | FT | x | / |
| N9 | Drop shipper | East Coast | F | 40 | Married | PT | x | x |
| N10 | Online seller/ drop shipper | Southern | F | 38 | Divorced | FT | / | x |

Note: / - Yes, X- No

The respondents came from various backgrounds, between 24 and 58 years old. Most of them were full-time gig workers, the main income earners in the family, and had no intention of finding another permanent job. The main reason to become a gig worker was the flexible nature of the jobs. Therefore, most of them were not searching for other permanent jobs.

"I am comfortable like this because I have a lot of time for my family. I have an aunt who lives alone, so I have time for her." (N1)

"I was not able to organize time; then it is difficult to work for time-bound jobs." (N5)

One respondent stated that although she was looking for another permanent job, she was still subject to time constraints.

"Yes, if there is an opportunity for another job. But I don't want a job tied between 8 to 5." (N7)

The status of their work can be part or full-time. However, this status did not determine whether or not they were searching for other permanent jobs. For example, one respondent revealed that she was helping his husband earn extra income and that online business was the most suitable for her.



"I have to take care of five children and cook for them and my husband. Living in rural areas has limited job opportunities. Online business is the most suitable for me due to various constraints." (N9)

We could conclude that primary motivation for respondents to engage in gig jobs as their main source of income can be attributed to the flexibility that such job arrangements.

Financial vulnerability and resilience

Financial vulnerability and resilience are somewhat related. While vulnerability reflects an unstable economic and financial situation due to financial risk and shock exposure, resilience is the inverse. Financial resilience refers to an entity's capability to resist or rebound from life-altering obstacles that impact personal finances. It is the ability to deal with events or shocks that affect one's income and assets. A similar pattern can be observed despite no clear consensus on the household's vulnerability measurement in the literature. According to studies, it can be measured by several indicators – the ability to bear living expenses, loan commitments, risk-coping ability, and attitude toward shocks (Al-Mamun & Mazumder, 2015; Anderloni et al., 2012; Emmons & Noeth, 2013; Guarcello et al., 2010; Jappelli et al., 2008; Leika & Marchettini, 2017). While, financial institutions employ various financial indicators, such as debt-to-income ratios, debt-to-assets ratios, and mortgage income gearing and outstanding debt arrears for more than 90 to determine the condition of financial vulnerability (Anderloni et al., 2012). In this study, we identified several indicators to measure financial vulnerability and resilience, including the ability to meet living expenses and raise funds in an emergency; and attitude towards saving, risk coping abilities, and loan commitments, as shown in Table 2.

Table 2 Checklist for financial vulnerability and resilience indicators.

| ID | Financial vulnerability and resilience | | | | | |
|----|--|---------------------------|---|--------|----------------|------|
| | Ability to meet living expenses | Risk coping ability (own) | Ability to raise funds in an emergency* | | Regular Saving | Loan |
| | | | Own | Others | | |
| N1 | / | / | / | / | / | x |
| N2 | / | / | / | / | x | / |
| N3 | / | / | / | / | x | x |
| N4 | / | / | / | / | x | x |
| N5 | / | / | / | / | x | x |



| | | | | | | |
|-----|---|---|---|----|---|---|
| N6 | / | / | / | x | / | x |
| N7 | / | x | x | NS | / | x |
| N8 | / | / | / | / | / | / |
| N9 | / | x | x | / | x | / |
| N10 | / | x | x | / | x | / |

Note: / – Yes, x- No, NS – Not stated

* Up to a maximum of RM1,000. Minimum wage in Malaysia is currently set at RM1,500/month.

All respondents admitted to meeting daily living expenses despite a high living cost and strenuous economic conditions, especially after the hit of COVID-19.

“Income is just enough to meet the basic cost of living and pay the loan.” (N8)

Availability of savings is very important when financial adversity happens. Even a modest amount of savings could substantially mitigate the adverse effect of financial mishaps. Indeed, it is a focal point in determining the level of one’s financial resilience. In other words, the availability of savings is an important indicator of financial vulnerability. When asked about the capability to raise funds in the case of an emergency, three respondents admitted that they lacked emergency funds and may need help from others (except for N7). In comparison, the remaining seven respondents could raise their emergency funds around RM1,000, but not more. Despite the ability to come up with a specific amount of funds for emergencies, they claimed that the fund was not much. Therefore, a sound support system among family members, friends, and the community at large is crucial in the case of emergency and recovery from shocks. One respondent that needs help from others in the case of emergency stated:

“In an emergency, I cannot come out with RM1,000. No saving. My income is only enough to cover the basic cost of living and pay PTPTN loan. I will seek help from my husband and family in case of emergency.” (N9)

Financial vulnerability and resilience are often associated with low income and even poverty. The nature of gig jobs, which are not permanent and short-term, has exposed gig workers to income uncertainties. Therefore, some cannot consistently put aside some of their income for rainy days or future use. Respondents with no regular savings pointed out that their income was just enough to cover daily expenses and pay loans. Even if they tried to save, that portion would eventually be used for other purposes.



"No saving. Income is only enough to cover the basic cost of living and pay AIM (microcredits) loan." (N10)

Due to inconsistent income, most respondents highlighted that they were not planning to apply for any loan from the bank. However, they were aware that they needed to provide proof of income. *i.e.* pay slips for loan application purposes, thus hindering them from applying from any banks. Furthermore, respondents with loans disclosed that their loans were in the form of microcredits or study loans, which were less risky. This indicates that they were facing less financial obligation.

We conclude from the interview that while the income from gig jobs has helped some workers make ends meet and absorb spending shock, this ability is only temporary, especially for primary income earners with no regular savings. (N2, N3, N4, N5, N10). Therefore, they must have access to social safety nets like health insurance, work benefits, suitable income transfers, and a retirement plan (Matsaganis et al., 2016; Chen et al., 2020).

Financial inclusion and literacy

The level of financial inclusion, literacy, and access to social capital may play some roles in determining the vulnerability and the recovery speed from economic risks. Financial inclusion increased financial literacy, improved money management abilities, and restrained impulsivity and reduce one's exposure to financial risk (Singh & Malik, 2022) especially of the low-income group population, in developing economies such as India. The assessment of household financial vulnerability has gained considerable attention these days, especially in poor and developing countries. This article seeks to assess the level of household financial vulnerability in India, based on a household survey conducted across India. Design/methodology/approach: This paper has proposed a financial vulnerability index (FVI. It is also evident that financial literacy influences retirement planning (Hauff et al., 2020). According to a study conducted among freelancers in Singapore, it was discovered that financial literacy plays a role in diversifying portfolios throughout one's life cycle (Koh & Mitchell, 2019). Financial literacy usually goes hand in hand with financial behaviour. Engaging in good financial behaviour, which includes being willing to accept financial advice and appropriately planning financial matters, is vital for building financial resilience and enhancing financial stability and security. Therefore, understanding the current financial inclusion and literacy is important in predicting an individual's ability to accept or engage with financial products or any protection schemes that require their financial contribution.



Table 3 Checklist for financial inclusion, literacy, and social capital.

| Financial inclusion | | | | Financial literacy | | | | Social Capital |
|---------------------|--------------|-------------|-----------|---------------------|--------------------------|----------------------------|-----------------------------|-----------------------|
| ID | Bank account | Credit card | Insurance | Financial knowledge | Confidence using fintech | Willingness to seek advice | Proactive financial actions | Access for assistance |
| N1 | / | x | x | / | / | / | x | / |
| N2 | / | x | x | x | x | / | x | / |
| N3 | / | x | x | / | / | / | x | / |
| N4 | / | / | / | / | / | / | / | / |
| N5 | / | x | x | / | x | / | x | / |
| N6 | / | x | x | / | / | / | x | / |
| N7 | / | x | x | / | / | / | x | x |
| N8 | / | x | / | / | / | / | x | x |
| N9 | / | x | x | / | / | / | x | / |
| N10 | / | x | x | / | / | / | x | / |

Note: / – Yes, x- No

Based on Table 3, it shows that the majority of the respondents have access to basic bank products, such as saving or current accounts. Even though it was highlighted before that most of them had no regular savings, having a bank account may help them manage their income and encourage future planning. Besides, it has many other advantages, especially in this current world where many transactions are paid online. In terms of credit cards, most of them have no access to them, reducing the risk of payment default, escalating uncontrolled expenditure, and promoting accountable spending.

When it comes to financial literacy, most of them possesses a foundational understanding of essential financial principles. This includes having a grasp of concepts like interest rates and various financial products available in the market and they are confidence to navigate and utilize technology related to finance. Furthermore, they exhibit an openness and willingness to seek and consider financial advice from both experts in the field and trusted friends. This highlights their recognition of the value of external perspectives and insights when it comes to making financial decisions and owning financial portfolios. Overall, their combination of basic financial knowledge, confidence in technology, and willingness to seek advice indicates a receptivity towards new policies that can bring them benefits, provided they are accompanied by appropriate guidance and approach.



Social protection and willingness to pay (WTP) for social security

Similar to other informal workers, gig workers are susceptible to economic and social risks as they lack sufficient coverage of social protection. Social protection protects workers from income insecurity due to sickness, injury, unemployment, old age, and other related social risks (Qian & Wen, 2021). In addition, social insurance can provide security for work, and the level of security perceived by individuals can affect work emotions (Chen et al., 2022)

The interview revealed that most of the respondents have no regular savings. The income they earn is only enough to cover their daily needs. There is no surplus to use for emergencies or retirement savings. Only one respondent has savings, albeit irregularly. Savings can only be accumulated when there is a surplus of funds available in a given month. The absence of consistent savings further exposes them to elevated economic and social risks. All respondents, except for N4, do not have insurance coverage or other types of social security. According to N4, though now she is consistently contributed to the voluntary social security fund, she has no other regular savings in the bank. All, respondents are aware of the benefits of insurance but consider it less important than their need to continue to survive. They will only purchase insurance if their lives are more stable.

Most respondents agree that employee provident fund contributions or other similar schemes are to be made mandatory for gig workers. Regular monthly payments will discipline contributors and force them to save. Financial constraints and irregular monthly income make it difficult for gig workers to commit. Respondents are aware of the need to save for emergencies and old age, but the obligation to survive in the present forces respondents to forget the desire to save. However, if there is a platform that allows respondents to deposit a monthly amount they can afford, they are willing to commit. With the appropriate amount, all respondents are willing to pay for their social protection and security.

"I'm willing to contribute about 20% for my retirement every month." (N1)

"I'm willing to contribute 10% of the income." (N5)

Based on the findings from this study, we believe that insufficient income is a major problem for the gig workers to take proactive actions for the future, especially in preparing enough funds for retirement. In parallel with a flexible nature of the jobs, a flexible scheme is deemed necessary. A memorandum signed between the Employee Provident Fund (EPF) and one demand platform, GoGet, shows that we are moving on the right direction. The agreed feature is highly flexible that the GoGetters (the gig workers) can choose to opt out at any time or adjust their contribution for retirement depending on financial situation. However, since the contribution is voluntarily, we believe there must be some 'force-element' as some people are not far sighted enough, thus a little push might do the job.



The important role of income for retirement planning was also found in other study, among others, a study based on Spanish population (Vivel-Búa et al., 2019) and within the context of European Union (EU) across multiple waves (2006-2011) (Garcia et al., 2017). However, with a proper approach, a comprehensive social protection framework for gig workers in Malaysia can be designed. Policy-makers need to prepare for this transformation and develop new ways to support workers to maintain the gig economy's long-term sustainability, which will continue to grow post-pandemic. Furthermore, the importance of institutional quality and governance that upholds regulation on the social security of the informal workers in the gig economy is essential. Redesigning and governing the social security system that binds with regulatory and related law, prioritizing the low-income self-employed person, and complementing with the adequate or optimal scheme are the main concerns of many economies (Corujo, 2017; Stewart & Stanford, 2017).

Conclusion

There is no doubt that the COVID-19 pandemic has intensified the need to rely on gig workers to perform essential tasks in various services. Their services are no longer perceived as low-skilled labourers but play a crucial role in providing social needs. The number of gig workers has been growing as workers found these platforms able to absorb job losses due to the pandemic and increase worker flexibility, freedom, and rewards. While gig workers are being applauded as the new face of employment, gig workers are very vulnerable and prone to an economic shock. These preliminary findings reveal that the flexibility and freedom of gig work come with no financial safety nets, making the workers financially vulnerable and lacking financial stability. The results express concern about improving their financial resilience for the future and equipping them with the knowledge and tools to manage potentially volatile income.

Financial vulnerability is represented by their difficulty in access to benefits of savings, insurance schemes and any other protection schemes which are vital factors for sustaining a secure lifestyle in the long run. The recognition of this problem has required further research to explore a long term solution for the future of gig workers. This would entail addressing the obstacles they encounter in the labour market and fostering a more nurturing environment to support their needs. The need for social protection framework for informal workers are in line with the 2030 Agenda for Sustainable Development specifically SDG 1 of no poverty, SDG 3 on ensuring good health and wellbeing and SDG 8 on promoting decent job creation (United Nations, 2015). A comprehensive social protection for gig workers aims to bridge the gaps in traditional labour market frameworks by acknowledging the platform and gig workers' unique circumstances and challenges. Unlike traditional employees, gig workers operating through digital platforms face vulnerabilities due to the lack of access to benefits like health insurance and retirement plans. Their



irregular and unpredictable income makes financial management and future planning difficult. By implementing a comprehensive social protection system tailored to the needs of gig workers, governments, policymakers, and relevant stakeholders acknowledge the need for alternative approaches to ensure these workers are adequately protected. Provisions for healthcare coverage, retirement savings options, income protection, and access to training and upskilling opportunities are several measures to be considered. A more inclusive and supportive environment that recognizes the contributions of gig workers to the economy while safeguarding their well-being and providing a safety net during periods of financial instability or unforeseen events is a need for sustainable growth and balanced labour market. In addition, in the present era, effective wealth management plays a crucial role in shaping one's future financial security. With the advent of the digital age, it has become essential to initiate online financial education resources that complement initiatives aimed at spreading financial knowledge. This necessity is driven by the desire to bring about changes in behavior and attitudes towards finances. A thorough understanding of the financial vulnerability, resilience, literacy and willingness-to-pay (WTP) for social protection is vital in designing an appropriate social protection scheme for gig workers as to ensure high participation rate.

Declaration of Interest

The authors have no conflicts of interest to declare.

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