

The Legal Challenges of Regulating the Gig Economy in Uganda: A Critical Review of the Dynamics Between Worker Practices, Employer Strategies and Regulatory Approaches.

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ABSTRACT

The rise of the gig economy which is characterized by short-term, platform-mediated work which includes but not limited to ride-hailing, food delivery, online freelancing, transportation, domestic services, and micro-tasking has transformed Uganda's labour market. Yet, existing laws on employment, social protection, digital platforms, consumer protection, and taxation were designed for traditional employment relationships and therefore struggle to regulate this new digital labour employment.

This review examines the regulatory gaps, institutional challenges, and enforcement limitations affecting Uganda's ability to govern gig work. Using labour law theory, platform governance theory, and regulatory compliance frameworks, the study highlights contradictions in worker classification, weak social security coverage, limited tax enforcement, consumer risks, and gaps in data protection. Case studies from ride-hailing, digital freelancing, and delivery platforms illustrate persistent issues of misclassification, power asymmetries, algorithmic control, and contractual opacity. The review concludes by recommending a hybrid regulatory model incorporating clarifications in worker status, portable benefits, digital platform obligations, and strengthened enforcement systems to ensure fairness, innovation, and sustainable digital labour markets in Uganda.

Keywords: Gig economy, platform work, labour regulation, worker classification, worker practices, employer strategies, digital platforms, consumer protection, taxation, Uganda.

INTRODUCTION

The gig economy, characterised by short-term, task-based, and platform-mediated work, has rapidly expanded across Uganda's labour market. Digital platforms such as SafeBoda, Bolt, Uber, Jumia Food, and global online freelance marketplaces have reshaped how work is accessed, performed, and compensated. These platforms offer flexibility, income-generation opportunities, and entry into the digital economy, particularly for young people and urban workers. However, they also disrupt the traditional employer–employee relationship that underpins Uganda's labour, social security, consumer protection, and taxation frameworks.

Despite the growing economic importance of gig work, Uganda's legal and regulatory frameworks remain firmly rooted in conventional employment models premised on contracts of service. Existing statutes governing labour relations, social protection, workplace safety, data protection, and taxation were not designed to regulate digitally mediated labour arrangements characterised by algorithmic management, fragmented work patterns, and triangular platform relationships. As a result, gig workers operate in a legal grey area where rights, obligations, and accountability mechanisms remain unclear and inconsistently enforced (Joshi et al., 2024).

International scholarship on the gig economy has expanded significantly, with studies focusing on worker misclassification, platform governance, and regulatory reform, particularly in Europe, North America, and

parts of Asia. Recent regulatory initiatives such as the European Union's Platform Work Directive and Spain's Riders Law demonstrate an emerging trend toward reclassification and enhanced worker protections (Sfetcu, 2024). In developing economies, including parts of Africa, the literature has largely concentrated on the gig economy's role in employment creation, informality, and digital inclusion, often emphasising economic opportunities rather than legal accountability (Smit & Stopforth, 2023; Nwaobi, 2024).

Research Gap: Legal, Institutional, and Policy Deficits

Despite this growing body of literature, significant gaps remain, particularly in relation to Uganda and comparable developing economies. First, existing studies tend to examine gig work either from a labour vulnerability perspective or from a digital innovation standpoint, with limited integration of doctrinal legal analysis across multiple regulatory domains such as labour law, company law, social security, consumer protection, data protection, and taxation. In Uganda, there is a notable absence of comprehensive legal scholarship that systematically evaluates how these intersecting legal regimes collectively respond to platform-mediated work.

Second, the literature inadequately interrogates platform strategies which include contractual design, algorithmic management, and liability avoidance assessing how these strategies interact with weak or outdated regulatory frameworks to perpetuate worker precarity. While misclassification is widely acknowledged, there is limited analysis of how platforms exploit statutory silence and institutional fragmentation to avoid legal responsibility within Uganda's regulatory environment.

Third, institutional and enforcement challenges remain underexplored. Existing policy discussions rarely assess the capacity constraints facing labour inspectors, revenue authorities, and data protection agencies, or the implications of weak inter-agency coordination for regulating multinational digital platforms. As a result, regulatory failures are often attributed to informality rather than to structural governance deficiencies.

Finally, current literature provides limited guidance on context-sensitive regulatory models suited to low- and middle-income countries. Comparative insights are frequently drawn from jurisdictions with stronger institutional capacity, leaving unanswered questions about how hybrid or incremental regulatory approaches might function effectively within Uganda's legal and administrative context.

Justification, Relevance, and Objectives of the Study

This study is both necessary and timely given Uganda's rapid digitalisation, persistent youth unemployment, and increasing reliance on platform-based work as a livelihood strategy. As gig work becomes embedded within the national labour market, the absence of coherent legal and institutional responses risks entrenching precarious employment, undermining consumer confidence, and eroding the tax base.

Responding directly to the identified gaps, this paper undertakes **a critical legal review** of gig economy regulation in Uganda, focusing on the dynamic interaction between worker practices, employer strategies, and regulatory approaches. The study aims to:

1. Examine the extent to which Uganda's existing legal framework accommodates or excludes gig workers;
2. Analyse platform governance practices that shape labour conditions and accountability;
3. Assess institutional and enforcement constraints affecting regulatory compliance; and
4. Propose context-appropriate regulatory reforms capable of balancing innovation with worker protection.

By integrating labour law theory, platform governance theory, and regulatory compliance theory, the study advances scholarly understanding of gig work regulation in developing economies. It contributes to policy debates by offering evidence-based recommendations for a hybrid regulatory model that enhances legal certainty, strengthens institutional capacity, and promotes fair and sustainable digital labour markets in Uganda.

CONTEXTUAL BACKGROUND

Uganda's digital transformation has enabled rapid growth of platform-based work across transport, delivery, domestic work, and online freelance services. Smit and Stopforth (2023) note that this expansion, driven by widespread smartphone adoption and increasing internet penetration, has created new income opportunities for a substantial segment of the population, particularly among the youth.

Youth unemployment and urbanization make gig work an attractive option. However, this rapid proliferation has outpaced the development of adequate regulatory frameworks, leading to significant challenges in worker protection and labor law applicability (Hwang, 2024).

The gig economy remains largely unregulated. Most workers operate as independent contractors despite being subjected to platform rules, algorithmic ratings, and performance tracking. This classification frequently denies them fundamental labor rights and social protections, creating an environment ripe for precariousness and exploitation within this evolving employment landscape (Hatos et al., 2025). This creates power asymmetries, income instability, and limited access to social protection schemes such as National Social Security Fund or social health insurance. Institutionally, Uganda's labour inspectorate lacks capacity to oversee platform work, while agencies such as Uganda Revenue Authority, National Information Technology Authority -Uganda, and the Data Protection Office have limited coordination. The absence of sector-specific laws leads to inconsistent and often informal arrangements, leaving workers vulnerable and regulators reactive rather than proactive.

CONCEPTUAL AND THEORETICAL FRAMEWORK

Labour Law Theory: Labour law traditionally protects workers in standard employment relationships. The Employment Act of Uganda particularly section 3(1) only puts emphasis on the relationship between employers and employees under a contract of service with blatant exclusion of Gig workers (Employment Act, 2006). The Workers Compensation Act (2000), specifically Section 2 attempts to incorporate Gig workers when it provides that the Act shall apply to all employment in Uganda, but the detailed provisions that follow make it more clear that the intention was to protect employees under the Employment Act. The interpretation of Section 3(1) of the same Act means that only workers who are incapacitated for three days are compensated, this clearly rules out some gig workers who normally work for less than the stipulated days. The Companies Act (2012) does not expressly provide for company liability for the acts of its workers, this leaves gig workers particularly vulnerable and are left to rely on common law doctrine of vicarious liability, wherein an employer may be held responsible for the tortious acts of its employees under specific conditions (NAZMI et al., 2023). This doctrine can be strategically excluded by the employers of gig workers This exclusion is often facilitated by the ambiguous employment status of gig workers, which complicates the enforcement of traditional labor laws and allows platforms to disclaim liability by asserting an intermediary role between service providers and users (Brinkman, 2025). The terms of reference for gig workers are also in turn designed to limit any form of liability for acts caused by the workers This highlights a critical lacuna in legal frameworks, as the Companies Act of 2012 does not explicitly address the imposition of corporate liability for acts committed by workers, particularly within the context of evolving employment models like the gig economy (Hatos et al., 2025).

Gig work blurs boundaries between employee and independent contractor, raising questions about rights, minimum wages, and employment benefits. The theory helps evaluate whether gig workers in Uganda should be reclassified or granted hybrid rights. This reclassification, which focuses on actual working conditions rather than contractual labels, is critical for achieving labor justice and extending social protections to all workers (Hatos et al., 2025). This re-evaluation is crucial given that many gig workers

currently lack protection under employment law, largely due to their frequent misclassification as non-employees (Joshi et al., 2024). This theoretical perspective aligns with the understanding that the rapid growth of the gig economy has outpaced regulatory frameworks, leading to significant gaps in labor rights and protections for gig workers (Hwang, 2024; Malek, 2024). This in has always presented a challenge where the law acts as a fire fighting instrument as opposed to a preventive measure.

Platform Governance Theory: Platforms use digital algorithms to control pricing, workload, and worker behaviour. This theory examines how these digital intermediaries exert influence over various aspects of gig work, often leading to triangular relationships that complicate traditional understandings of employment and responsibility (Joshi et al., 2024) This creates a new form of algorithmic management without traditional employer accountability. It highlights the need for regulatory frameworks that address algorithmic management and ensure transparency and fairness in platform operations (Sfetcu, 2024).

There are no laws regulating platform based working hours, leave days, public holidays, overtime among others.

Platform governance theory helps explain the unique regulatory challenges of platform control. Internal control systems on platforms like uber, safe boda, Jumia have not only exposed the regulatory gaps but also highlighted the freedom that platforms have in terms of governing their workers without being subject to traditional labour regulations (Khasenov, 2023). As such, this legal lacuna has been providential to the platforms and employers of gig workers on the platforms.

Regulatory Compliance Theory: This theory explains the ability of state institutions to enforce laws effectively. Limited inspection capacity, weak inter-agency coordination, and informal labour markets reduce Uganda's ability to regulate gig platforms. This framework underscores the importance of robust regulatory mechanisms and inter-agency collaboration to ensure compliance and protect gig workers' rights within the informal economy (Joshi et al., 2024). As Smit & Stopforth (2023) assert, this theoretical perspective further emphasizes that effective regulation requires not only legislative clarity but also the institutional capacity to monitor and enforce compliance, particularly in emergent sectors like the gig economy.

This challenge only exposes the wider problem of effective laws which are not backed by institutional capacity to ensure and monitor compliance.

Synthesis: Together, these theories reveal gaps in labour classification, platform accountability, and regulatory enforcement hence highlighting the need for new legal models tailored to digital work. This study therefore recommends a comprehensive overhaul of existing labor laws to better accommodate the distinct characteristics of gig work, drawing on international best practices and theoretical insights from precarious work and flexicurity (Anan, 2024).

Philosophical Underpinnings

The study adopts a pragmatic approach, combining legal analysis with practical regulatory considerations. Pragmatism is suitable because the gig economy requires flexible, real-world responses rather than purely theoretical models. This approach acknowledges the need for adaptive policies that can address the dynamic nature of platform work and its impact on worker welfare (Joshi et al., 2024).

Elements of critical realism are incorporated to account for hidden structures such as power imbalances between platforms and workers, systemic enforcement weaknesses, and informal work dynamics that influence regulatory outcomes. This dual theoretical lens allows for a nuanced understanding of both the observable phenomena and the underlying mechanisms that shape the gig economy in Uganda, informing more effective and equitable policy interventions. This integrated theoretical framework facilitates a deeper understanding of the socio-legal complexities inherent in the gig economy, providing a robust foundation for developing context-specific regulatory solutions that promote worker protection and market efficiency (Lesmana & Samudra, 2025).

METHODOLOGY

A qualitative critical review design was used, relying on secondary data from statutes (Employment Act, NSSF Act, Data Protection and Privacy Act, Income Tax Act), scholarly articles, government reports, platform policies, and case studies. A thematic analysis method was applied to identify recurring regulatory challenges, legal contradictions, and institutional capacity constraints. Key variables were operationalized as shown in the table below:

Table: Operationalization of Key Variables

Variable	Definition	Indicators / Measures
Worker Classification Clarity	Legal status of gig workers under employment law	Statutory definitions, judicial interpretation, nature of control, contract terms
Platform Accountability	Extent to which platforms bear responsibility for worker rights and consumer safety	Liability rules, data governance obligations, algorithmic control mechanisms
Regulatory Enforcement	Strength and capability of state actors to supervise and enforce compliance	Labour inspection capacity, inter-agency coordination, monitoring systems
Social Protection Coverage	Access of gig workers to social security and welfare schemes	NSSF enrolment, accident insurance, health coverage
Consumer Protection	Safeguards for platform users	Quality control, dispute resolution systems, safety standards
Tax Compliance	Effectiveness of revenue collection from gig work and platforms	Worker tax declarations, platform reporting, URA enforcement capacity

Data Validation and Triangulation

Findings were validated by comparing insights from legal sources, academic literature, platform contracts, government reports, and international frameworks. Recurring insights across independent sources enhanced credibility and consistency. This multifaceted approach ensured a comprehensive and reliable understanding of the complex regulatory landscape within the gig economy. The triangulation of diverse data sources strengthens the study's conclusions regarding the regulatory challenges and opportunities present in this rapidly evolving sector. Wardhana (2020) asserts that this triangulation method helps to confirm the robustness of the identified challenges and potential solutions, thereby ensuring that the study's recommendations are well-supported and actionable

Analytical Approach

Thematic analysis was used to identify major patterns in regulatory gaps, labour vulnerabilities, and enforcement challenges. Thematic analysis was used to identify major patterns in regulatory gaps, labour vulnerabilities, and enforcement challenges. A comparative lens was applied, drawing lessons from the following key examples:

Kenya's digital taxi regulations, which promote regulatory sandboxes for testing context-specific models and partnerships with platforms to formalise transactions and encourage social insurance uptake among gig workers in African economies (Nwaobi, 2024). The analysis also considered regulatory developments in the European Union, particularly concerning directives on platform work that aim to reclassify gig workers as employees, thereby granting them access to traditional labor rights and social protections (Joshi et al., 2024). Additionally, an in-depth examination of the regulatory frameworks in South Africa provided insights into legislative attempts to extend collective bargaining rights to vulnerable workers through specialized provisions, despite the binary classification system that typically excludes them (Smit & Stopforth, 2023). This therefore is significant in not only recognizing the uniqueness of the different sects of workers but also appreciating the fact that this uniqueness calls for unique regulations.

Limitations

This study relies on secondary data, which may not fully capture informal gig work practices or the internal algorithmic systems that platforms use. Limited transparency in platform operations may constrain analysis of control mechanisms.

Critical Review

Worker Misclassification: Gig workers are generally classified as independent contractors despite platforms controlling pricing, workflows, and ratings. This denies workers key protections such as minimum wages, leave, or severance which are readily available for employees in the employment Act. This often leads to a "race to the bottom," where platforms exploit legal ambiguities to minimize labor costs, thereby perpetuating precarious working conditions and undermining the principles of decent work (Mokofe, 2022; Omar & Jamil, 2025). As Amin (2023) notes, this lack of a fully-fledged legal identity of gig workers also hinders their access to social protections and collective bargaining rights.

Social Protection Gaps: Gig workers rarely have access to NSSF, accident compensation, or health insurance, as these schemes are geared toward formal employees rather than independent contractors prevalent in platform work. Uganda's National Social Security Fund through the NSSF Act (1985) specifically under section 1(a) targets workers under the contract of service who are legally known to be employees and not independent contractors, hence excluding self-employed gig participants and mirroring broader African challenges where platforms treat workers as contractors without social security obligations (Nhede, 2023). The Workers Compensation Act (2000) similarly premises coverage on traditional employer-employee relationships, restricting occupational injury benefits and leaving ride-hailing drivers and delivery couriers exposed to uncovered risks (Olivier, 2022). While the Insurance Act (2018) mainly regulates insurance, bancassurance and reinsurance companies, it imposes no platform-specific mandates for health or accident coverage, exacerbating financial vulnerabilities from injuries (Kinobe, 2021). Injuries during ride-hailing or delivery often result in heavy financial burdens, with platforms evading liability through contractual exemptions (Smit & Stopforth, 2023). The lack of proper classification leaves a gap for regulation because laws normally have to identify the jurisdiction within which they apply.

Weak Enforcement Capacity

Labour inspectors lack the technological tools and resources to monitor digital platforms. Regulatory authorities operate in silos, creating gaps in oversight. This fractured regulatory environment is further complicated by the jurisdictional complexities inherent in a globalized digital economy, making effective enforcement particularly challenging. Furthermore, the rapid evolution of platform business models frequently outpaces legislative and regulatory updates, leading to a perpetual state of reactive, rather than proactive, governance (Joshi et al., 2024, p. 101). This situation is exacerbated by the general power and information asymmetry between workers and platform owners, where firms download risk and insecurity onto workers due to labor market flexibility (Reilly & Paredes, 2019, p. 429). This coupled with enforcement budget limitations in Uganda worsens enforcement capacity.

Contractual Opacity and Algorithmic Control

Terms and conditions are lengthy, non-negotiable, and often unclear. Algorithms determine pay, deactivation, and task allocation without transparency. The lack of manpower and expertise from the workers and authorities to scrutinise technical terms of reference that are normally drafted by platform owners hinders protection of workers. This opaque algorithmic management system, coupled with the absence of robust regulatory oversight, severely limits the capacity for independent audits or worker redress mechanisms, thereby reinforcing the platforms' unilateral control over labor processes and outcomes. This situation is further complicated by the fact that algorithmic management can also compromise worker privacy and escalate disputes concerning performance evaluations and job security (Hatos et al., 2025). Such opacity and control mechanisms are often justified by platforms under the guise of optimising efficiency, yet they frequently translate into precarious working conditions and diminished worker

autonomy (Ruvishani & Kariyapperuma, 2022). This dynamic is further exacerbated by the illusion of flexibility often advertised by platforms, which in reality masks highly competitive environments where workers are compelled to accept unfavorable terms to secure a living wage (Sander et al., 2025). The lingering paradoxical question remains whether the freedom enjoyed by the workers in the gig economy should justify the cost of complexities that the contracts present.

Taxation Challenges

Most gig workers operate informally and do not declare income. Platforms do not consistently share tax-relevant data with Uganda Revenue Authority. This raised discrepancies in tax assessments. Moreover, the informal nature of gig work often means that workers lack formal employment records, making it difficult for tax authorities to track income and enforce compliance as per the Income Tax Act (2000), thereby impacting national revenue generation and potentially increasing the tax burden on formal sector employees. (Malek, 2024) This informal status also prevents workers from accessing tax-based social benefits or formal credit, trapping them in a cycle of economic precarity. Many owners and operators of informal enterprises operate semi-legally or illegally because the regulatory environment is too punitive, too cumbersome or simply non-existent. Also, many activities in the informal economy do not generate enough output, employment or income to fall into existing tax brackets (Chen, 2006). This regulatory lacuna, coupled with the inherent difficulties in tracking informal economic activities creates a significant challenge for revenue authorities seeking to integrate gig work into the formal tax system. This is exacerbated by the fact that some gig businesses do not clearly identify themselves with a particular jurisdiction for tax purposes.

Consumer Protection Gaps

Weak dispute-handling systems expose consumers to fraud, safety risks, and service inconsistencies. This lack of adequate protection undermines consumer confidence and can deter the widespread adoption of gig economy services, particularly in sectors involving personal transport or food delivery where safety and quality are paramount. The consumer protection laws in the Sale of Goods and supply of services Act (2018) do not fully address the novel contractual relationships and service delivery models characteristic of the gig economy, leaving significant regulatory gaps in areas such as liability for platform-mediated services and data privacy (Liu et al., 2023; Mamatha, 2024). These legislative shortcomings highlight the urgent need for updated regulatory frameworks that specifically address the unique challenges presented by the gig economy, ensuring both consumer safety and fair business practices within this evolving landscape. The absence of comprehensive consumer protection also extends to data governance, with platforms often collecting vast amounts of personal data without explicit, granular consent or clear policies on its usage and retention, raising significant privacy concerns. (Ehimuan et al., 2024, p. 1062)

Case Examples

Ride-Hailing (Safe-Boda, Bolt, Uber)

Drivers experience unpredictable earnings, frequent deactivations, and unclear insurance arrangements, reflecting misalignment between contractor status and platform control. This precarious situation is compounded by the lack of social security benefits, which leaves drivers vulnerable to financial hardship in cases of illness, accident, or unemployment (Smit & Stopforth, 2023). The platforms are controlled by the stakeholders who make frequent adjustments in terms and pricing that may be unfavorable to the drivers on these Ride-Hailing platforms. (Binns et al., 2025) The lack of minimum wage regulation in Uganda has also exacerbated the situation. Furthermore, platforms frequently adjust commission rates and incentives without direct consultation, intensifying financial insecurity for drivers (Palhad et al., 2023). This again is reflective of the lack of identification gap in the law for gig workers. Such discrepancies often lead to "ethics dumping," where companies exploit jurisdictions with weaker labor laws, further undermining worker protections (Joshi et al., 2024).

Delivery Platforms

Couriers face high operational risks such as road accidents, yet lack meaningful insurance or safety equipment support. This vulnerability is magnified by the absence of formal employment status, which typically would provide access to workers' compensation or health benefits, leaving couriers solely responsible for their medical expenses and lost income (Palit et al., 2024). This situation is often worsened by the contractual agreements which explicitly disclaim platform liability for accidents, effectively shifting the entire burden of occupational hazards onto the individual worker (Smit & Stopforth, 2023). Moreover, the contractual terms imposed by these platforms often require workers to waive their rights to legal redress, funneling disputes into opaque and often biased arbitration processes (Smit & Stopforth, 2023). These arbitration clauses frequently deny couriers access to traditional legal avenues, further eroding their capacity to advocate for fair treatment and compensation in the aftermath of workplace incidents (Smit & Stopforth, 2023).

Online Freelancing

Cross-border nature of freelancing makes contractual enforcement difficult. Workers face non-payment risks and algorithmic rejection of work without meaningful appeal processes. This absence of a well-established specific legal recourse leaves freelancers in a vulnerable position, often without avenues to challenge unfair assessments or recover lost earnings from international clients or platforms that prioritize their own operational efficiencies over worker welfare (Akorsu, 2023). This creates a significant power imbalance where freelancers have limited leverage to negotiate terms or seek redress for grievances, further entrenching their precarity within the digital labor market (Hatos et al., 2025). The lack of proper identification and legal recognition for these workers means that the traditional mechanisms for labor dispute resolution are inaccessible to them, leaving them to navigate complex international legal frameworks without adequate support. Moreover, the absence of standardized international labor regulations or robust supranational enforcement bodies further complicates efforts to protect online freelancers from exploitative practices, particularly concerning cross-border payment disputes and intellectual property rights (Aleksynska et al., 2019; Hatos et al., 2025). This often leads to a phenomenon known as "forum shopping," where platforms strategically select jurisdictions with favorable laws, further complicating avenues for worker redress (Berg, 2022).

Domestic Work Platforms

Informal working arrangements and minimal background checks raise safety concerns and regulatory oversight challenges. This sector often operates in a regulatory grey area, exacerbating vulnerabilities related to exploitation, inadequate remuneration, and the absence of social protections for workers (Smit & Stopforth, 2023). Such conditions frequently lead to legal challenges, as evidenced by various jurisdictions attempting to reclassify these workers as employees to ensure access to fundamental labor rights and social benefits (Hatos et al., 2025). These workers are often unidentified by the regulatory systems and therefore often go unnoticed throughout their tenure. makes their regulation challenging because what is unseen normally goes unregulated. This regulatory lacuna is further complicated by the inherent difficulty in monitoring and enforcing labor standards within private households, where traditional inspection mechanisms are often impractical. Furthermore, the intimate and often isolated nature of domestic work itself contributes to a heightened risk of exploitation, making it challenging for workers to report abuses or seek collective bargaining representation (Masiero, 2021).

DISCUSSION

Uganda's regulatory challenges in the gig economy arise from legal ambiguity, technological change, and weak institutional enforcement. This tripartite challenge necessitates innovative policy frameworks that acknowledge the distinct characteristics of platform work while safeguarding worker rights and promoting fair competition. Specifically, addressing the classification dilemma of gig workers—whether as employees or independent contractors—is paramount for establishing clear legal obligations for platforms and ensuring comprehensive social protections for workers (Hunt & Samman, 2020). Moreover, clear laws regulating

independent contractors would go a long way to address the legal challenges since most gig workers are often classified as independent contractors. However, the nuanced reality of algorithmic management and platform control often blurs this distinction, suggesting that a simple binary classification may be insufficient to address the complexities of modern gig work (Hatos et al., 2025,). Therefore, a more nuanced legal framework, potentially introducing a "third way" or hybrid category of worker, could better accommodate the unique operational models of the gig economy while extending essential protections. This approach would require a re-evaluation of existing labor laws to incorporate provisions for benefits, collective bargaining rights, and social security tailored to the flexible nature of gig work, without necessarily imposing the full spectrum of traditional employment obligations (Smit & Stopforth, 2023).

Power imbalances between multinational platforms and local workers intensify vulnerabilities. Reform should focus on clarifying worker classification, mandating certain platform obligations, introducing portable social protection schemes, and strengthening the capacity of regulators. Public policy should focus on expanding social protections to all workers, regardless of contractual status, ensuring transparency in algorithmic decision-making, and recognizing the right to collective bargaining (Hatos et al., 2025) Comparative experiences show that regulation can enhance fairness without stifling innovation.

CONCLUSION

Imagine a ride-hailing driver in bustling Kampala, zipping through traffic on a motorbike loaded with groceries for a customer, only to get deactivated without warning due to an algorithm glitch with no pay, no explanation, and no safety net to fall back on. Or a freelance graphic designer in Gulu, pouring hours into a project for an overseas client, just to face non-payment and no recourse across borders. These are the real faces of Uganda's gig economy: hardworking people chasing flexible opportunities, yet trapped in vulnerability by outdated, shallow laws and powerful platforms. It's time to change that story.

Regulating this dynamic sector doesn't mean stifling the innovation that's creating jobs for youth and women in a tough economy, it is far from it. Uganda can modernize its labour laws to clarify whether gig workers are true independents or need employee-like protections, updating social security to include portable benefits like health insurance and pensions that travel with the worker, no matter the platform. Consumer protection rules could ensure fair pricing and dispute resolution, while tax frameworks make platforms contribute fairly without scaring them away. Think of Spain's "Riders Law," where reclassifying delivery workers boosted rights without killing the industry, or Europe's new Platform Work Directive pushing for algorithm transparency, this is proof that smart rules foster fairness and growth.

But laws alone will not cut it; institutions need muscle. Bolster regulators with training, tech tools for monitoring apps, and coordinated enforcement across ministries to tackle multinational giants head-on. Promote transparency by requiring platforms to explain deactivations and ratings, empowering workers to appeal. Introduce hybrid protections as a "third way" category blending flexibility with basics like minimum earnings guarantees, collective bargaining rights, and accident coverage tailored to gig life's ups and downs.

Clear platform duties, like mandatory insurance and data sharing, paired with worker education on rights, can level the playing field. Drawing from African neighbors like Kenya's platform unions and Ghana's gig worker dues for benefits, Uganda could pioneer portable schemes filling the "missing middle" for informal workers. This isn't just policy it's about dignity, sustainability, and shared prosperity. By balancing innovation with equity, Uganda's gig economy can thrive, lifting workers while fueling economic promise for all.

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