



THE RISE OF 'GIG ECONOMY' IN TANZANIA AND ITS CHALLENGES.

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INTRODUCTION.

Gig economy refers to a labor market characterized by short-term, temporary or freelance jobs, often facilitated by online platforms or applications. In the gig economy, workers are hired for specific projects or tasks, rather than being employed on a full-time or long-term basis. The term “gig” originally referred to a musician’s performance or engagement, but has since been applied to a wide range of short-term jobs, including ridesharing, delivery services, graphic design, writing, home cleaning, repair services and more others.

In Tanzania, the rise of the gig economy is often attributed to the growth of the internet and mobile technology, which have made it easier for workers and employers to connect and collaborate remotely. Currently, gig work is often seen as a way to achieve greater flexibility, autonomy, and control over one’s work schedule, although it can also be accompanied by lower pay and fewer benefits compared to the traditional employment system. One of the most popular forms of gig work in Tanzania is ride-sharing, with companies like Uber, Bolt, Little ride and Ping operating in major cities like Dar es Salaam, Mwanza and Arusha. These platforms have provided a new source of income for many Tanzanians who own or rent cars, and have also made it easier for residents and tourists to get around.

In addition to ride-sharing, other forms of gig work in Tanzania include online freelance work, such as writing, graphic design as well as delivery services and home services like cleaning and repairs. Many of these jobs can be found on popular gig economy platforms like Upwork and Fiverr, as well as local platforms like jumia, Kikuu and kupatana Tanzania.

However, the rise of the gig economy in Tanzania has also raised concerns about job security, worker protections, and fair pay. Many gig workers are classified as independent contractors rather than employees, which means they are not entitled to benefits like healthcare, paid time off, or workers’ compensation. Additionally, the nature of gig work often means that workers have little bargaining power and may be paid less than their traditional counterparts.

Despite these challenges, the gig economy in Tanzania is likely to continue to grow as more people seek flexible work arrangements and companies look for cost-effective ways to access a wider pool of workers. It will be important for policymakers, workers, and employers to work together to ensure that the benefits of the gig economy are shared fairly and equitably.



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ACCESSIBLE CHALLENGES OF GIG ECONOMY IN TANZANIA.

The rise of the gig economy in Tanzania has brought about several challenges that need to be addressed to ensure that workers are protected and can enjoy the benefits of this new way of working. Some of the challenges of the gig economy in Tanzania includes the following:-

1. Lack of job security

Gig workers are often classified as independent contractors, which means they do not have the job security that comes with traditional employment. They can be let go at any time without notice, which can make it difficult to plan for the future.

1. No employee benefits

Gig workers are not entitled to employee benefits such as health insurance, paid time off, or retirement plans. This can make it difficult for them to make ends meet, especially if they are relying solely on gig work for income.

1. Low pay

Gig work is often paid on a per-project or per-hour basis, and the rates can be lower than traditional employment. This can make it difficult for gig workers to earn a living wage, especially if they are working in lower-paying sectors like delivery or cleaning services.

1. Lack of bargaining power

Gig workers often have little bargaining power and may be at the mercy of the companies they work for. They may not be able to negotiate better pay or working conditions, which can lead to exploitation and unfair treatment.

1. Safety concerns

Gig workers in Tanzania may be at risk of violence, theft, or other safety concerns, especially if they are working late at night or in high-crime areas.



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1. Tax compliance

Gig workers may not be aware of their tax obligations, which can lead to fines and penalties from the government.

CONCLUSION.

The gig economy is a relatively new phenomenon evolving rapidly with new platforms and services emerging all the time. Currently it is a growing phenomenon in the number of gigs, contracts, and casual jobs in place of traditional full-time employment. Examples of gig workers include freelance writers, online tutors, digital marketing experts, web developers, cybersecurity experts, and many others. There is no doubt that the birth of the Gig Economy has brought more possibilities and greater selectivity to the development of enterprises, which also help reducing the cost of human resources.

Further, with the rise of the digital age, today's workforce is becoming more mobile, with the freedom to work anywhere, which is regarded as a major reason for the Gig economy's surge. As a result, we have a generation of people with more options at their disposal. This is to say, in a gig economy, temporary and flexible jobs are common, and companies are inclined to hire independent contractors and freelancers rather than permanent employees.

Conclusively, the rise of the gig economy greatly benefits the new generation of employees, providing new job opportunities and multiple sources of income, as gig workers can work on several jobs simultaneously. The gig economy empowers workers, giving them flexibility in scheduling and structuring their days so they maximize their potential for work and life.