

India's Evolving Gig Economy: Employment Opportunities, Income Security and Social Protection in the Digital Era

Dr.Roli Mishra

Assistant Professor

Department of Economics

S.N.Sen B.V.P.G.College,kanpurC.S.J.M.University, Kanpur)

Abstract-: *The rapid growth of digital technology is changing the nature of employment in India. Smartphones, internet connectivity, digital payments and online platforms have created new forms of work that are different from traditional employer-employee relationships. The gig economy has created new employment opportunities, particularly for young people and workers looking for flexible work arrangements. However, flexibility is also associated with challenges such as uncertain income, long working hours, occupational risks and limited access to traditional social-security benefits. These concerns make income security and social protection important dimensions of the gig economy. The gig economy has emerged as an important part of this transformation. Delivery workers, ride-hailing drivers, online freelancers, home-service providers and other platform-based workers are increasingly contributing to India's service economy. This paper examines the evolution of India's gig economy with special focus on three dimensions: employment opportunities, income security and social protection. The study is based on secondary data from NITI Aayog, the Economic Survey of India, the Ministry of Labour and Employment, the International Labour Organization and other government sources. NITI Aayog estimated 7.7 million gig workers in 2020–21 and projected that the number could reach 23.5 million by 2029–30. More recent evidence from the Economic Survey 2025–26 indicates that the gig workforce increased by about 55 per cent between FY21 and FY25, reaching around 12 million workers. The study finds that the gig economy is becoming an important source of employment and income generation, particularly in urban services. However, the flexibility associated with gig work is accompanied by concerns relating to income instability, work-related expenses, occupational risks, limited bargaining power and social-security coverage. Recent labour reforms have formally recognised gig and platform workers and introduced a framework for social protection, including benefit portability and a Social Security Fund. The paper argues that the long-term contribution of the gig economy will depend not only on the number of jobs created but also on the quality and security of*

Keywords:

Gig Economy,
Platform
Workers,
Employment,
Income
Security, Social
Protection,
Digital
Economy,
Labour Market,
India

those jobs. A worker-centred approach involving portable social security, transparent payment systems, occupational safety, skill development, better data and effective grievance mechanisms is necessary for building an inclusive and sustainable gig economy in India.

Introduction-: Digital technology has changed the way economic activities are organised. The nature of employment is changing rapidly across the world. Digital technology, smartphones, online platforms and digital payment systems have created new ways of connecting workers with consumers. India is also experiencing this transformation. The growth of online transportation, food delivery, e-commerce, logistics, home services and online freelancing has created a new category of employment generally described as gig work. The gig economy refers to a labour market in which individuals undertake short-term, temporary, task-based or project-based work rather than depending entirely on a traditional permanent employment relationship. Platform-based work is an important part of this economy. Digital platforms connect consumers with workers and organise the delivery of services through technology. The growth of the gig economy is particularly important for India because employment generation remains a major economic concern. India has a large working-age population and millions of young people enter the labour market every year. Digital platforms can provide relatively quick access to income-generating opportunities. For some workers, gig work also provides flexibility that may not be available in conventional employment. In India, gig work can be observed in transportation, food delivery, e-commerce, logistics, beauty and home services, online freelancing and several other activities. The sector has grown along with urbanisation, digitalisation and changing consumer preferences. Gig platforms can provide relatively quick access to income-generating opportunities. For some workers, the ability to choose working hours is an important advantage.

However, the growth of employment does not necessarily mean an improvement in employment quality. A gig worker may have the freedom to decide when to work but may also face uncertain earnings, work-related expenses, lack of paid leave and occupational risks. The absence of a conventional employer-employee relationship makes the provision of social security more complicated

NITI Aayog estimated that India had around 6.8 million gig workers in 2019–20 and 7.7 million in 2020–21. The 2020–21 estimate represented 2.6 per cent of the non-agricultural workforce and 1.5 per cent of the total workforce. NITI Aayog projected that the gig workforce could reach 23.5 million by 2029–30. More recent evidence indicates that the sector has continued to expand. The Economic Survey 2025–26 reported that the number of gig workers increased from 77 lakh in FY21 to approximately 120 lakh in FY25, representing a rise of about 55 per cent. The Survey also noted that the gig economy now represents more than 2 per cent of India's total workforce.

This recent growth makes it necessary to move beyond the simple question of how many jobs the gig economy creates. The more important question is whether these jobs provide workers with adequate and sustainable economic security.

Therefore, this study examines India's evolving gig economy through three interconnected dimensions:

Employment opportunities → Income security → Social protection

Conceptual Understanding of the Gig Economy-: Gig work is different from conventional employment because the relationship between the worker and the organisation is generally not based on a traditional employer-employee contract. The Code on Social Security, 2020 recognises a gig worker as a person who performs work or participates in a work arrangement and earns from such activities outside a traditional employer-employee relationship. A platform worker is a person engaged in platform work through an online platform that connects service providers with users. Gig economy and platform economy are therefore closely connected but are not completely identical. A gig worker may obtain work through a digital platform, but gig work can also exist outside digital platforms. Similarly, platform work is a specific form of gig work in which digital technology plays an important role in connecting demand and supply. This distinction is important for economic analysis because not all gig workers face identical working conditions.

Growth of the Gig Economy in India

Table 1: Growth and Projection of India's Gig Workforce

Year	Estimated Gig Workers	Share of Non-Agricultural Workforce	Share of Total Workforce
2019–20	6.8 million	2.4%	1.3%
2020–21	7.7 million	2.6%	1.5%
2024–25	12.0 million	—	More than 2%
2029–30*	23.5 million	6.7%	4.1%

*Projected figure. Source: NITI Aayog and Economic Survey 2025–26. The data show a clear expansion of gig work.

Between 2019–20 and 2020–21, the estimated gig workforce increased from 6.8 million to 7.7 million. More importantly, the latest Economic Survey indicates that the workforce reached approximately 12 million in FY25. This means that the gig workforce increased by roughly 4.3 million workers between

FY21 and FY25. The projected figure of 23.5 million by 2029–30 suggests that gig work may become an even more important component of India's labour market.

However, the NITI Aayog estimate should be interpreted carefully. The report itself notes that gig workers are difficult to count because workers may undertake multiple tasks and may work across different arrangements. It describes its estimate as indicative rather than a precise census of gig workers.

Recent Trends: FY21 to FY25 The latest Economic Survey provides an important update to the earlier NITI Aayog estimates.

Table 2: Recent Growth of Gig Workers

Indicator	FY21	FY25	Change
Gig workers	77 lakh	120 lakh	+43 lakh
Approximate percentage increase	—	—	55%
Share of total workforce	1.5%	More than 2%	Increased

Source: Economic Survey 2025–26, Ministry of Finance.

The growth of approximately 55 per cent over four years is significant. It indicates that gig work has expanded faster than a simple temporary employment arrangement. The Economic Survey attributes the growth to factors including digitalisation, smartphone penetration, urbanisation and expansion of platform-based services. It also notes that digital payments and widespread smartphone use have supported the expansion of the platform economy.

Employment Opportunities Created by the Gig Economy

Low Entry Barriers:- One of the major advantages of gig work is relatively easy entry into certain occupations. Many platform-based jobs do not require lengthy recruitment procedures or highly specialised qualifications. This can make them accessible to workers who may find it difficult to enter formal employment. For young people, gig work can therefore serve as an immediate source of income. However, low entry barriers should not be confused with high-quality employment. Easy entry is useful only when workers also have opportunities for skill development and upward mobility.

Flexible Work:- Flexibility is one of the most frequently discussed advantages of gig work.

Workers may have greater control over when they work. This can be useful for:

1. students,
2. individuals with family responsibilities,

3. workers combining multiple occupations,
4. migrants, and
5. people looking for supplementary income.

The Economic Survey 2025–26 also highlights the importance of flexible working arrangements, particularly in relation to women's participation in economic activity. It notes that women continue to carry a significant share of unpaid care work, which can influence their preference for flexible employment arrangements.

Gig Economy and Women's Employment-: The relationship between gig work and women's employment deserves special attention. Flexible work arrangements can potentially reduce some barriers faced by women. Women who cannot participate in conventional full-time employment because of household responsibilities may find flexible work more suitable.

However, flexibility alone cannot guarantee women's participation.

1. Important barriers include:
2. safety concerns,
3. lack of access to digital devices,
4. mobility restrictions,
5. family responsibilities,
6. lack of childcare,
7. occupational segregation, and
8. uncertain income.

Recent research on women gig workers in India also identifies job insecurity and workplace challenges as important concerns. A 2024 study based on a survey of 603 women gig workers across major Indian metropolitan cities examined job insecurity, workplace challenges and well-being. Therefore, the gig economy can create opportunities for women, but its impact on women's economic empowerment depends on the quality of those opportunities.

Gig Economy and Youth Employment-: Young workers are another important group in the gig economy.

1. Gig work can provide young people with:
2. immediate income,
3. work experience,
4. exposure to digital technologies,
5. customer-service experience, and
6. flexible employment opportunities.

However, dependence on low-skilled gig work may create a long-term problem if workers do not acquire additional skills. Therefore, gig work should ideally be viewed as part of a broader employment ecosystem rather than as a permanent substitute for skill-based and formal employment. Government and platform-level training programmes can help workers acquire digital, financial and professional skills.

Income Security: The Central Challenge-: Employment and income security are not the same thing. A traditional employee usually receives a relatively predictable wage or salary. A gig worker may be paid according to the number of tasks, trips, deliveries or projects completed.

A simple framework can be expressed as: $\text{Net Gig Income} = \text{Gross Earnings} + \text{Incentives} - \text{Work-related Expenses}$

Work-related expenses may include:

1. fuel,
2. vehicle maintenance,
3. mobile data,
4. insurance,
5. equipment,
6. platform-related deductions, and
7. other work expenses.

Therefore, gross earnings do not necessarily represent the worker's actual economic position.

This is one of the major reasons why research on gig workers should focus on net income rather than only platform payments.

Income Volatility and Working Hours-: The flexibility of gig work can create a paradox.

A worker may have the freedom to decide when to work, but income may depend on the number of tasks completed. This can create an incentive to work for longer hours during periods of high demand.

Thus:

1. Flexibility of working hours does not automatically mean economic security.
2. The quality of gig employment should therefore be evaluated using two dimensions:
3. Worker autonomy
4. Income stability
5. A sustainable gig economy must maintain a reasonable balance between both.

Occupational Risks-: Gig workers in transport and delivery services may face occupational risks that are different from those faced by conventional office workers.

These may include:

1. road accidents,
2. extreme heat,
3. rain and other weather conditions,
4. physical exhaustion,
5. traffic-related stress,
6. long working hours, and
7. lack of adequate rest.

The International Labour Organization has highlighted the importance of occupational safety, adequate pay, working-time regulation and social protection for platform workers.

Therefore, social protection should not be limited to financial assistance. It should also include preventive measures related to health and safety.

Social Protection: A Major Policy Issue-: Historically, gig workers were often outside the main structures of employment-linked social security. The emergence of gig work therefore created a policy gap. The International Labour Organization has emphasised that extending social protection to gig and platform workers is necessary because many workers in the sector do not enjoy adequate social-security coverage. India has taken significant steps in this direction through the Code on Social Security, 2020.

Code on Social Security, 2020-: The implementation of the four Labour Codes was notified on 21 November 2025. The Code on Social Security formally recognises gig and platform workers within India's social-security framework.

The policy framework includes:

1. life and disability cover,
2. accident insurance,
3. health and maternity benefits,
4. old-age protection,
5. welfare schemes,
6. portability of benefits, and
7. a Social Security Fund.

The framework also requires aggregators to contribute to the Social Security Fund. According to the government backgrounder, the contribution is set at 1–2 per cent of annual turnover, subject to a cap of 5 per cent of payments made or payable to gig and platform workers.

This represents an important shift from a system where worker protection was largely dependent on voluntary initiatives towards a more institutionalised framework.

Portability of Social Security-: Portability is especially important for gig workers.

1. A worker may move from one platform to another or work simultaneously across multiple platforms. If social-security benefits are linked to a particular employer, workers may lose continuity when their work arrangement changes.
2. The new framework provides for a unique Aadhaar-linked identity through e-Shram, supporting portability of social-security benefits across platforms.
3. This can reduce one of the major weaknesses of traditional employment-linked social protection: the loss of benefits when workers change jobs.

e-Shram and Formalisation-: The e-Shram portal is an important mechanism for bringing unorganised workers into a national database.

According to the Ministry of Labour and Employment, more than 5.09 lakh gig and platform workers had registered on e-Shram by November 2025. The government also introduced an Aggregator Module on e-Shram in December 2024. By January 2026, 12 major aggregators had been onboarded, including Zomato, Blinkit, Urban Company, Uber, Amazon, Ola, Swiggy, Ecom Express, Rapido, Zepto and Porter.

Table 3: Selected Indicators of Institutionalisation

Indicator	Latest official figure
Gig/platform workers registered on e-Shram by Nov. 2025	5.09 lakh+
Major aggregators onboarded by Jan. 2026	12
e-Shram total unorganised-worker registrations by Jan. 2026	31 crore+
Gig workforce in FY25	120 lakh
Projected gig workforce in 2029–30	235 lakh

Sources: Ministry of Labour & Employment; Economic Survey 2025–26; NITI Aayog.

An important methodological point is that 5.09 lakh e-Shram registrations should not be compared directly with the estimated 120 lakh gig workforce as if they were the same measure. Registration is an administrative count, while the NITI Aayog/Economic Survey figures are workforce estimates based on different methodologies.

15. Literature Review-: The literature on the gig economy in India can broadly be divided into four areas.

1. **Employment and Labour-Market Transformation-:** NITI Aayog's 2022 study is one of the major foundational studies on India's gig economy. It estimated the size of the gig workforce and highlighted its growing role in the non-agricultural economy. It also observed that gig work was spreading beyond a few occupations and sectors.

The ILO's 2024 report also identifies gig and platform work as an important employment generator in India and emphasises the changing employment relationship created by digital platforms.

2. **Social Protection-:** ILO research has repeatedly highlighted social protection as a central challenge. Its work on India focuses on designing mechanisms that can extend adequate and sustainable social protection to gig and platform workers.

The 2023 ILO-ISSA-OECD technical paper further argues that social protection systems need to adapt to new forms of employment rather than being designed only around traditional employer-employee relationships.

3. **Women and Gig Work-:** Recent research has examined the experience of women gig workers. A 2024 study involving 603 women gig workers in major Indian metropolitan areas reported that job insecurity and workplace challenges are important factors affecting women's well-being. This suggests that women's participation in the gig economy should be analysed not only in terms of employment numbers but also in terms of security and quality of work.
4. **Regulation and Minimum Standards-:** Recent research has also begun examining the relationship between gig work, minimum wages and social security. A 2026 study of 107 app-based workers in eastern India examined workers' awareness of labour legislation, minimum wages and social-security provisions and proposed a framework based on pay, place, purpose, procedure and pride.

This recent literature strengthens the argument that the future debate on gig work must move from employment quantity towards employment quality.

Research Gap-: Existing studies provide valuable information about the size, nature and challenges of gig work. However, three gaps remain.

1. First, many studies focus on either employment generation or worker vulnerability. There is a need to connect both dimensions.
2. Second, income security and social protection are often discussed separately. In reality, they are closely related. An income that appears adequate before work-related expenses may provide limited economic security after expenses and periods without work are considered.

3. Third, India's regulatory environment has changed significantly since earlier studies. The implementation of the Labour Codes in November 2025 makes it necessary to reassess the social-protection framework.

This paper addresses these gaps by examining the gig economy through an integrated framework:

Employment opportunities + Income security + Social protection

Research Objectives

1. The study has the following objectives:
2. To analyse the growth of India's gig economy.
3. To examine the role of gig work in employment generation.
4. To study the major factors affecting income security among gig workers.
5. To examine the social-protection challenges faced by gig workers.
6. To analyse recent labour-policy changes affecting gig and platform workers.
7. To suggest policy measures for improving the quality and sustainability of gig employment.

Research Questions

1. The study addresses the following questions:
2. How rapidly is the gig economy expanding in India?
3. What employment opportunities does it create?
4. Does flexibility compensate for income uncertainty?
5. What are the major gaps in social protection?
6. How far can recent labour reforms improve worker security?
7. What policies are required for sustainable gig employment?

Research Propositions-: Since this paper uses secondary data and does not claim to have conducted a primary worker survey, the following are presented as research propositions rather than statistically tested hypotheses:

1. **P1:** Digitalisation and platform expansion have contributed to the growth of gig employment in India.
2. **P2:** Gig employment increases access to income opportunities but may not guarantee income stability.
3. **P3:** Greater flexibility in gig work can coexist with longer working hours and income uncertainty.
4. **P4:** Portable social protection can improve the economic security of gig workers.
5. **P5:** Skill development can improve the long-term employment prospects of gig workers.

Methodology-: The study uses a descriptive and analytical secondary-data approach.

Data Sources

1. The main sources are:
2. NITI Aayog
3. Economic Survey of India 2025–26
4. Ministry of Labour and Employment
5. Press Information Bureau
6. e-Shram
7. International Labour Organization
8. recent academic studies
9. Analytical Tools
10. The study uses:
11. percentage change,
12. trend comparison,
13. descriptive statistics, policy analysis, and comparative interpretation.

The percentage change in the estimated gig workforce between FY21 and FY25 is approximately:

$$\text{Percentage Change} = (12.0 - 7.7) / 7.7 \times 100$$

≈ 55.8 per cent This is consistent with the 55 per cent increase reported by the Economic Survey.

Major Findings-: The analysis of secondary data, existing literature and recent policy developments provides several important findings regarding the changing nature of India's gig economy.

1. **Rapid Expansion of the Gig Workforce-:** The gig economy has expanded significantly in India in recent years. NITI Aayog estimated that the gig workforce increased from 6.8 million in 2019–20 to 7.7 million in 2020–21. More recent evidence from the Economic Survey 2025–26 indicates that the number increased to approximately 12 million in FY25.
2. This represents an increase of nearly 56 per cent between FY21 and FY25. The trend suggests that gig work is gradually becoming an important component of India's labour market rather than remaining a small or temporary form of employment.

Gig Economy as an Emerging Source of Employment-:

1. The expansion of the gig workforce indicates that digital platforms are creating new employment opportunities in transportation, food delivery, logistics, e-commerce, personal services and other service-sector activities.
2. The relatively low entry barriers in several gig occupations make this form of employment accessible to workers who may face difficulties in entering conventional formal employment.

Therefore, the gig economy has the potential to support employment generation, particularly in the rapidly expanding service sector.

3. However, the employment contribution of the gig economy should not be measured only by the number of workers engaged. The quality, stability and sustainability of these jobs are equally important.

Flexibility is Both an Opportunity and a Challenge

1. Flexibility is one of the major advantages of gig employment. Workers may have greater control over their working schedules and can sometimes combine gig work with education, household responsibilities or other occupations.
2. This flexibility can be particularly useful for young workers and some women who may face difficulties in conventional full-time employment.
3. However, the study also finds a clear trade-off between flexibility and income security. Since earnings are often related to the number of tasks completed, workers may need to work for longer hours to maintain their desired level of income.
4. Thus, flexibility of work does not automatically result in economic security.

Income Security Remains a Major Concern- Income security is one of the most important challenges associated with gig employment.

1. Unlike regular salaried employment, gig workers may not receive a fixed monthly income. Their earnings can vary according to demand, working hours, number of tasks, incentives and platform policies.
2. Moreover, workers may have to bear expenses related to fuel, vehicle maintenance, mobile data, insurance and other work requirements.
3. Therefore, the economic position of gig workers should be assessed on the basis of net income rather than only gross earnings.
4. The study suggests that a worker may have reasonable gross earnings but still experience financial insecurity because of fluctuating income and high work-related expenses.

Gig Workers Bear a Significant Share of Employment Risks- The analysis indicates that gig workers often bear a greater share of the risks associated with their work.

1. Workers engaged in delivery and transportation may face road accidents, extreme weather conditions, physical exhaustion and long working hours. They may also be responsible for maintaining the vehicles or equipment used for work.

2. This creates a difference between traditional employment and gig work. In traditional employment, many employment-related risks are partly managed by the employer or through formal institutional mechanisms. In gig work, a larger part of these risks may be transferred to the worker.
3. Therefore, occupational safety and risk protection should be important components of gig-worker policy.

Social Protection has Become a Central Policy Requirement

1. The rapid expansion of gig work has made social protection an important policy issue. Gig workers may not automatically receive the employment-linked benefits generally associated with traditional formal employment. These may include health protection, accident insurance, retirement benefits and paid leave.
2. The implementation of the Code on Social Security, 2020 from 21 November 2025 represents an important development in this area. The framework formally recognises gig and platform workers and provides for social-security measures relating to areas such as life and disability cover, accident insurance, health and maternity benefits and old-age protection.
3. This indicates a gradual shift towards integrating gig workers into India's wider social-security framework.

Portability of Social Security is Particularly Important

1. The nature of gig employment is different from conventional employment because workers may change platforms or work with more than one platform.
2. Therefore, social-security benefits should not depend entirely on a particular platform or employer.
3. The study finds that portable social security is especially important for gig workers. A worker should be able to retain social-security benefits even after changing platforms, occupations or locations.
4. The development of e-Shram and related registration mechanisms can support this process by creating a more structured system for identifying and supporting gig and platform workers.

Institutional Recognition of Gig Workers is Increasing

1. Recent policy developments show increasing institutional recognition of gig and platform workers.
2. The inclusion of gig and platform workers within the Social Security Code and the expansion of e-Shram registration indicate that the government is developing dedicated mechanisms for this workforce.
3. The onboarding of major platform aggregators onto e-Shram is another important development.

4. However, formal recognition alone cannot guarantee effective protection. The actual impact will depend on implementation, registration, worker awareness, funding and easy access to benefits.

Gig Economy Provides Opportunities for Women and Youth

1. The gig economy has the potential to provide new employment opportunities for young people and women.
2. For young workers, gig employment can provide immediate income, work experience and exposure to digital technologies.
3. For women, flexible working arrangements may reduce some barriers associated with conventional employment. However, women's participation also depends on safety, mobility, digital access, family responsibilities and suitable working conditions.
4. Therefore, gig employment should be viewed as a potential opportunity for women's economic participation rather than automatically as an instrument of women's empowerment.

Skill Development is Important for Long-Term Economic Security

1. The study finds that skill development is necessary if gig employment is to provide long-term economic benefits.
2. Workers engaged mainly in low-skilled tasks may receive short-term income but may have limited opportunities for career progression.
3. Training in digital skills, financial literacy, communication, entrepreneurship and specialised professional skills can improve workers' productivity and earning capacity.
4. Therefore, skill development should be integrated into India's gig-economy policy framework.

Data Gaps Remain a Major Challenge

1. Reliable data are essential for effective policy making, but measuring India's gig workforce remains difficult.
2. Different government sources measure different aspects of gig employment. For example, NITI Aayog provides estimates of the overall gig workforce, while e-Shram provides registration data.
3. These figures should not be treated as identical measures of the gig workforce.
4. The study therefore finds a strong need for regular and nationally representative surveys covering gig workers' income, working hours, expenses, occupational risks, social-security coverage and employment preferences.

Employment Quantity and Employment Quality Must be Considered Together

1. The analysis shows that the growth in the number of gig workers is economically important, but employment quantity alone does not provide a complete picture.
2. The quality of gig employment should be evaluated through multiple dimensions:
3. Employment Opportunities + Income Stability + Social Protection + Occupational Safety + Skill Development
4. A growing gig workforce is beneficial only when workers can achieve reasonable economic security and decent working conditions.

The Gig Economy Represents Both Opportunity and Insecurity

1. The overall findings indicate that India's gig economy represents a dual economic phenomenon.
2. On one side, it creates employment opportunities, flexibility, income generation and greater participation in the digital economy.
3. On the other side, workers may face income volatility, work-related expenses, occupational risks, limited bargaining power and inadequate social protection.
4. Therefore, the policy objective should not be simply to increase the number of gig workers. The focus should be on creating a gig economy that combines flexibility with security.

Overall Finding

1. Overall, the study finds that the gig economy has significant potential to contribute to employment generation and India's digital economic transformation. Its rapid expansion demonstrates that platform-based work is becoming an important part of the country's labour market.
2. However, the long-term sustainability of this sector will depend on the ability of policymakers, platforms and other stakeholders to address income insecurity, occupational risks and social-security gaps.
3. The central policy challenge is therefore to ensure that digital transformation creates not only more employment opportunities but also better, safer and economically secure livelihoods.
4. A worker-centred approach based on portable social security, transparent payment systems, occupational safety, skill development, effective grievance mechanisms and better labour-market data can help India build a more inclusive, productive and sustainable gig economy.

Policy Recommendations:- The rapid expansion of the gig economy has created both employment opportunities and new forms of economic insecurity. Therefore, India's policy approach should focus on balancing flexibility, innovation and worker protection. The following policy measures can help in building a more inclusive, secure and sustainable gig economy.

Develop a Universal and Portable Social Security System

1. Social security should be designed around the worker rather than a particular employer or platform. Gig workers may work for more than one platform or change platforms frequently. Therefore, their social-security benefits should remain with them even when their employment arrangement changes.
2. A portable social-security account linked with a unique worker identification system can help workers maintain continuity of benefits across platforms and locations. Such a system can include accident insurance, health protection, maternity benefits, disability support and old-age security.
3. The objective should be to ensure that changing a platform does not mean losing social-security benefits.

Strengthen Registration and Coverage of Gig Workers

1. Effective social protection requires proper identification of gig workers. The e-Shram platform can play an important role in creating a reliable database of gig and platform workers.
2. However, registration should be simple, free and easily accessible. Workers should receive information in simple language about the purpose and benefits of registration.
3. Platform aggregators should also be encouraged to support workers in completing registration and updating their information regularly.
4. Greater coverage will help policymakers understand the actual size and characteristics of the gig workforce and design targeted welfare programmes.

Introduce Stronger Income-Security Mechanisms

1. Income instability is one of the major concerns of gig employment. Workers may experience fluctuations in earnings because of changes in demand, incentives, platform policies and seasonal conditions.
2. Therefore, policy discussions should explore mechanisms that can reduce extreme income volatility without removing the flexibility of gig work.
3. Platforms should provide clear information regarding payment rates, incentives, deductions, commissions and penalties. Any major changes in payment structures should be communicated to workers in advance.
4. The focus should gradually shift from gross earnings to effective net income, after considering reasonable work-related expenses.

Ensure Transparent and Fair Payment Systems

Digital platforms play an important role in determining how workers receive and calculate their earnings. Workers should therefore have access to clear and understandable information about how their payments are determined.

Platforms should provide workers with regular statements showing:

- a. payment received for each task,
- b. incentives,
- c. commissions,
- d. deductions,
- e. penalties, and
- f. other adjustments.

A transparent payment system can reduce uncertainty and improve trust between workers and platforms.

Provide Affordable Health and Accident Insurance

1. Many gig workers, particularly those involved in transportation and delivery, are exposed to occupational risks.
2. Accident and health insurance should therefore form an important part of gig-worker protection.

Insurance schemes should be:

- a. affordable,
- b. easily accessible,
- c. portable across platforms,
- d. simple to claim, and
- e. available to workers irrespective of whether they work full-time or part-time.

Special attention should be given to workers who spend long hours on roads or work under difficult weather conditions.

Strengthen Occupational Safety Measures

1. Social protection should not be limited to compensation after an accident. Preventive measures are equally important.
2. Platforms should provide appropriate safety training and information regarding road safety, extreme weather, rest periods and emergency support.
3. For delivery and transportation workers, safety measures may include access to emergency assistance, accident reporting systems and appropriate insurance coverage.
4. This can help reduce the human and economic cost of occupational accidents.

Promote Skill Development and Career Mobility

1. Gig work should not become a situation where workers remain permanently trapped in low-skilled and low-income activities.

2. Government agencies, educational institutions and platform companies should develop skill-development programmes specifically for gig workers.

Training can include:

- a. digital skills,
- b. financial literacy,
- c. communication skills,
- d. entrepreneurship,
- e. customer management,
- f. advanced technical skills, and
- g. platform-related professional skills.

Skill development can help workers increase their productivity and move towards higher-income occupations.

Encourage Women's Participation through Safe and Inclusive Workplaces

The gig economy can potentially increase women's participation in paid employment because of its flexible nature. However, women may face additional barriers related to safety, mobility, household responsibilities and access to technology.

Policies should therefore focus on:

- a. safe working environments,
- b. appropriate grievance mechanisms,
- c. maternity protection,
- d. flexible working arrangements,
- e. childcare support, and
- f. digital and financial literacy.

Women's participation should be evaluated not only by the number of women entering gig work but also by their income, safety and long-term economic independence.

Protect Workers from Excessive Working Hours

1. The relationship between flexibility and working hours requires special attention.
2. Although workers may have the freedom to choose their schedules, income-linked incentives can encourage them to work for long periods.
3. Platforms should provide workers with information about working hours, earnings and possible health risks associated with excessive work.

4. Policies should encourage reasonable working hours and adequate rest, particularly in occupations involving driving and physical labour.

Establish Effective Grievance-Redressal Mechanisms

1. Gig workers may face issues such as account suspension, payment disputes, customer complaints, ratings and changes in platform policies.
2. They should have access to an independent and easily accessible grievance-redressal mechanism.

A worker should be able to:

1. submit a complaint,
2. receive information about the reason for an adverse decision,
3. provide an explanation or evidence,
4. appeal the decision, and
5. receive a timely response.

This is particularly important because automated systems and algorithm-based decisions can directly affect workers' income opportunities.

Improve Algorithmic Transparency

1. Digital platforms increasingly use algorithms to allocate tasks, calculate incentives and evaluate worker performance.
2. Workers should have a basic understanding of how important decisions affecting their work and earnings are made.

Platforms should provide greater transparency regarding:

- a. task allocation,
- b. rating systems,
- c. incentive calculations,
- d. account suspension, and
- e. performance evaluation.

Where automated decisions have a major impact on a worker's livelihood, an appropriate human review or appeal mechanism should be available.

Strengthen Worker Representation

1. Individual gig workers may have limited bargaining power when negotiating with large digital platforms.

2. Therefore, appropriate forms of worker representation and collective dialogue should be encouraged.

Worker associations can help communicate concerns related to:

- a. payment,
- b. working conditions,
- c. safety,
- d. social security,
- e. grievance redressal, and
- f. platform policies.

Constructive dialogue between workers, platforms and government can lead to more balanced policy outcomes.

Develop Better and Regular Gig-Economy Data

1. Reliable data are essential for evidence-based policymaking.
2. At present, estimating the size of India's gig workforce remains difficult because workers may have multiple occupations, work across several platforms or combine gig work with other forms of employment.

A regular national survey of gig workers should collect information on:

- a. number of workers,
- b. gender,
- c. age,
- d. education,
- e. monthly gross income,
- f. net income,
- g. work-related expenses,
- h. working hours,
- i. number of platforms used,
- j. social-security coverage,
- k. occupational accidents,
- l. job satisfaction, and
- m. reasons for entering gig work.

Better data will allow policymakers to design more targeted and effective interventions.

Overall, Policy Direction-: The gig economy represents an important opportunity for India to combine digital transformation with employment generation. However, its benefits will be sustainable only when workers are adequately protected.

1. The policy approach should therefore be based on three principles:
2. First, promote flexibility without allowing flexibility to become insecurity.
3. Second, encourage technological innovation while ensuring basic worker protection.
4. Third, measure the success of the gig economy not only through employment numbers but also through income security, social protection and quality of work.
5. A balanced, portable and worker-centred policy framework can help India develop a gig economy that contributes meaningfully to inclusive growth, productive employment and sustainable economic development.

Conclusion-: India's gig economy is no longer a marginal part of the labour market. It is becoming an important component of the country's digital and service economy. The available evidence shows substantial growth. NITI Aayog estimated 7.7 million gig workers in FY21 and projected 23.5 million by 2029–30. The Economic Survey 2025–26 provides more recent evidence, reporting an increase to around 12 million gig workers in FY25. This expansion creates important opportunities for employment generation, flexible work and income diversification. It may particularly benefit young people and some workers who face difficulties entering conventional employment. However, the economic success of the gig economy cannot be judged only by the number of jobs created. A job that provides income but leaves a worker exposed to excessive risk, unstable earnings and inadequate social protection may not represent sustainable employment. The implementation of the Labour Codes in November 2025 represents an important shift in India's policy approach. Gig and platform workers have received formal recognition and a framework for social protection, including portability of benefits and a Social Security Fund.

The next challenge is effective implementation. India needs a policy framework in which flexibility does not mean insecurity. Workers should be able to benefit from the freedom offered by platform work while also having access to health protection, accident insurance, old-age security, transparent payments and grievance mechanisms. The future of India's gig economy should therefore be guided by a broader principle: The success of the gig economy should be measured not only by how many jobs it creates, but by how securely and productively those jobs support workers and their families.

A worker-centred and technology-friendly policy approach can help India transform the gig economy from a source of flexible work into a source of decent, productive and sustainable livelihoods.

References

- I. International Labour Organization. (2023). *Providing adequate and sustainable social protection for workers in the gig and platform economy: Technical paper prepared for the 1st meeting of the Employment Working Group under the Indian Presidency*. ILO, OECD & ISSA.
- II. International Labour Organization. (2024). *Expansion of the gig and platform economy in India: Opportunities for employer and business member organizations*. ILO.
- III. International Labour Organization. (2024). *Extension of social protection to gig and platform workers in India*. ILO.
- IV. International Labour Organization. (2024). *Digital labour platforms can advance social justice by focussing on worker welfare*. ILO.
- V. Ministry of Finance, Government of India. (2026). *Economic Survey 2025–26*. Government of India.
- VI. Ministry of Labour and Employment, Government of India. (2025). *Welfare schemes for gig economy workers*. Press Information Bureau.
- VII. Ministry of Labour and Employment, Government of India. (2026). *Social security for gig and platform workers*. Press Information Bureau.
- VIII. Ministry of Labour and Employment, Government of India. (2025). *Labour reforms: Formalising and safeguarding India's gig & platform workforce*. Press Information Bureau.
- IX. Mohanty, L. (2026). *The burgeoning trajectory of Indian gig workers: Is independence the price for minimum wages and social security?* *Social Responsibility Journal*, 22(3), 664–684.
- X. NITI Aayog. (2022). *India's booming gig and platform economy: Perspectives and recommendations on the future of work*. Government of India.
- XI. NITI Aayog. (2022). *India's booming gig and platform economy: Estimates and projections*. Government of India.
- XII. "Anxiety, mental health, job insecurity and workplace challenges: Exploring the well-being of women gig workers in the gig economy." (2024). *Mental Health and Social Inclusion*, 29(4), 362–381.
- XIII. Government of India. (2020). *The Code on Social Security, 2020*. Ministry of Law and Justice.
- XIV. Tiwari, V. K., Chaubey, A. K., & Jain, C. (2015). *Quality in higher education and research in India: Present scenario*. *International Journal of Multidisciplinary Research*, 4(5(2)), ISSN 2277-7881.

Contributor Details:



Dr. Roli Mishra
Assistant Professor
Department of Economics
S.N.Sen B.V.P.G.College, Kanpur C.S.J.M.University, Kanpur)