STUDY NOTES · BASIC CONCEPT

What is the Gig Economy? Statistics, Challenges and future

Society & Social Justice

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The gig economy is a labour system where people work on short-term, task-based or freelance jobs instead of permanent, salaried employment. Workers are paid per task or per delivery, often via digital platforms.

Common gig jobs: food delivery, ride-hailing, e-commerce logistics, home services, freelancing, content creation.

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Gig Economy in India: Key Statistics

1. India’s gig workforce has grown sharply, rising from about 7.7 million in 2020–21 to around 12 million by FY 2024–25, a 38 % year-on-year increase. Gig work now accounts for over 2 % of India’s total workforce.
2. Blue-collar gig hiring jumped ~92 % in 2024, led by e-commerce, delivery and transportation platforms.
3. The gig workforce is projected to continue rising, with estimates suggesting ~23.5 million gig workers by 2029–30 and around 6.7 % of the non-agricultural workforce by then.
4. Government data estimates the gig workforce in 2024–25 at ~10–12 million, expected to reach 23.5 million by 2029–30 under the Code on Social Security, 2020 framework.

Key Challenges

1. Income volatility & low security: Gig workers often lack minimum wage, benefits or pensions.
2. Job precarity: Algorithms and rating systems can unfairly affect earnings.
3. Lack of formal protection: Most are categorized as “contractors,” missing traditional labour rights.
4. Long hours with limited safety nets despite growth in jobs and demand.

Future Outlook

1. Further urbanisation, digital adoption, and platform expansion will expand gig opportunities.
2. Driving factors include smartphone penetration, e-commerce growth, and consumer demand for convenience.

3. Policy efforts (like labour codes and social security inclusion) aim to balance flexibility with worker protection.

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