INDIALAW

CIVIL

Social Security Measures for Platform-Based Gig Workers announced in the Union Budget

AUTHOR Rahul Sundaram

PUBLISHED 4 February 2025

The Union Budget 2025 has introduced a transformative initiative aimed at extending formal recognition and social security benefits to platform-based gig workers across the country. With the rapid rise of the gig economy, millions of workers contribute to India's digital and service sectors, yet many remain outside the formal labour protection framework. The latest measures seek to change this by ensuring gig workers receive identity cards, registration on the e-Shram portal, and access to healthcare under the PM Jan Arogya Yojana (PMJAY).

A key aspect of the initiative is the issuance of unique identity cards to gig workers. This move will facilitate their formal recognition and help integrate them into the government's labour welfare programs. By providing an official identity, gig workers will have better access to social security benefits and financial inclusion.

To streamline the recognition process, the government has also strengthened the e-Shram portal, a national database for unorganised workers. This platform will now play a crucial role in registering gig workers, ensuring they are accounted for in the labour ecosystem. A pilot initiative has already seen prominent aggregators such as Urban Company, Zomato, Blinkit, and Uncle Delivery onboard their workforce onto the portal. With the new budgetary support, these efforts will now be scaled up, making it easier for gig workers to register and avail themselves of essential welfare measures.

One of the most significant benefits introduced in this initiative is the inclusion of gig workers under PM Jan Arogya Yojana (PMJAY). Healthcare access has been a long-standing concern for informal workers, many of whom lack medical coverage. With this new provision, gig workers will now be eligible for health insurance coverage, ensuring financial protection against medical emergencies. This step reinforces the government's commitment to securing the well-being of those engaged in platform-based work.

The government has backed these measures with a historic budget allocation of ?32,646 crore for the Ministry of Labour & Employment for the financial year 2025-26. This marks an 80% increase compared to the previous year, demonstrating the government's strong commitment to labour welfare. A significant portion of this allocation is directed toward the Employment Generation Scheme (ELI), whose funding has been doubled from ?10,000 crore to ?20,000 crore. Additionally, the budget also includes increased allocations under the Employees' Pension Scheme and PM Shram Yogi Maandhan Yojana, ensuring broader financial security for workers.

These measures represent a landmark shift in labour policy, acknowledging the importance of gig workers in India's economy. By offering formal identity, streamlined registration, and critical social security benefits, the government aims to create a more secure and inclusive work environment. With more digital platforms expected to integrate their workforce into the e-Shram portal, the initiative is set to significantly enhance the protection and welfare of gig workers in India's evolving employment landscape.

As the gig economy continues to grow, these reforms ensure that workers contributing to India's digital and service sectors are no longer left without security. The new measures pave the way for dignity, financial stability, and improved working conditions for millions of gig and platform workers across the country.

For further details write to contact@indialaw.in