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Future Workforce, Gig Economy and Labour Policy Reforms in India

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ABSTRACT
The nature of work is rapidly changing due to digitalization, automation, artificial intelligence and the rise of platform-based economies. The gig economy, characterized by freelance, temporary and platform-based work through platforms such as Swiggy, Zomato, Ola, Uber, Upwork and Urban Company, has emerged as a major source of employment for India's youth. This paper examines the growth of the gig economy and its impact on the future workforce in India. It analyzes the challenges faced by gig workers such as job insecurity, lack of social security, low wages and absence of legal protection. The study also evaluates recent labour policy reforms including the Code on Social Security, 2020, which for the first time recognizes gig and platform workers. Based on secondary data from NITI Aayog, government reports and research articles, the paper highlights the need for inclusive labour policies, skill development, social security benefits and fair working conditions. It concludes that well-designed labour reforms and collaboration between government, platforms and workers are essential to ensure decent work and a sustainable future workforce in India.

Keywords: Future Workforce, Gig Economy, Labour Policy Reforms, Platform Workers, Social Security, Code on Social Security.

1. INTRODUCTION

Employment patterns across the world are undergoing significant transformation. Technological development, digital platforms, artificial intelligence, automation and changing consumer behaviour have created new forms of employment. India is also experiencing these changes, particularly through the growth of the gig and platform economy.

The gig economy broadly refers to a labour market in which individuals undertake short-term, temporary, freelance or task-based work rather than depending entirely on conventional long-term employment. Platform-based companies connect workers with customers through digital applications and websites. Transportation, food delivery, e-commerce, logistics, home services and online professional services are among the areas where such employment has expanded.

India has a large working-age population and increasing access to smartphones and digital services. These factors provide considerable potential for the expansion of gig work. According to NITI Aayog (2022), the gig workforce increased from approximately 6.8 million in 2019–20 to 7.7 million in 2020–21 and is projected to reach 23.5 million by 2029–30. However, the future workforce will not be determined only by the number of jobs created. The quality of employment, availability of social protection, employability skills and workers' ability to adapt to new technologies will also be important. Therefore, labour policies need to evolve with the changing nature of work.

India has already taken steps towards recognising emerging categories of workers. The Code on Social Security, 2020 specifically provides a legal framework relating to gig workers and platform workers and aims to extend social security across organised and unorganised sectors. This changing employment environment creates a need to balance innovation and flexibility with worker protection and decent employment conditions.

2. OBJECTIVES OF THE STUDY

- 1. To examine the changing nature of the future workforce in India.
- 2. To understand the concept and growth of the gig economy.
- 3. To identify employment opportunities created by gig and platform-based work.
- 4. To examine major challenges faced by gig workers.
- 5. To study the importance of labour policy reforms for the emerging workforce.
- 6. To examine the role of skill development and digital literacy in future employment.

- 7. To suggest measures for improving social security and employment conditions for gig workers.

3. LITERATURE REVIEW

NITI Aayog's report _India's Booming Gig and Platform Economy: Perspectives and Recommendations on the Future of Work (2022)_ examined the size, characteristics and future potential of India's gig and platform workforce. The report highlighted the employment potential of gig work and recommended measures relating to skill development, social security, inclusion and job creation. It estimated that gig work is distributed across different skill categories and sectors, including transportation, retail, sales and service activities, and that relatively low entry barriers can create opportunities for different groups of workers.

The Code on Social Security, 2020 represents an important development in India's labour policy because it legally recognises categories such as gig workers and platform workers within the social-security framework. NITI Aayog's research on workforce and employment has also emphasised that employment policy needs to respond to changing expectations regarding job quality, remuneration, skills and working conditions. The existing literature therefore indicates that the future of employment in India will require a combination of technology, skills, entrepreneurship, social protection and appropriate labour regulation.

4. METHODOLOGY

The present study is descriptive and analytical in nature. It is based primarily on secondary data and information collected from government reports, policy documents, research publications and other relevant literature.

The study mainly examines:

- a) Growth of the gig and platform economy
- b) Changing employment patterns
- c) Opportunities available to gig workers
- d) Challenges relating to income and employment security
- e) Social-security requirements
- f) Skill development and future employability
- g) Labour policy reforms required for emerging forms of employment
- The study does not involve primary field-level data collection. Therefore, the findings are based on interpretation and analysis of available secondary information.

5. FINDINGS OF THE STUDY

- a) Growth of the Gig Economy: The gig economy is becoming an increasingly important part of India's employment landscape. NITI Aayog estimated approximately 7.7 million gig workers in 2020–21 and projected the number to reach 23.5 million by 2029–30.
- b) Employment Opportunities for Youth:* Gig work provides entry-level opportunities for young people who may not immediately find conventional employment. Platform work allows individuals to enter occupations without lengthy formal recruitment processes.
- c) Flexibility in Employment:One important attraction of gig work is flexibility. Workers have greater control over when and how much they work compared with traditional employment. This is useful for individuals seeking supplementary income or flexible schedules.
- d) Income and Employment Insecurity: Despite flexibility, gig workers experience uncertain earnings because income depends on demand, working hours, incentives and platform policies. They do not have the same degree of employment stability as conventional employees.
- e) Social Security Challenges:Social security is a major concern. Workers require protection relating to health, accidents, disability, maternity, old age and other forms of social risk. The Code on Social Security, 2020 provides an important legal basis for extending social-security measures to emerging categories of workers.
- f) Need for Continuous Skill Development: The future workforce will increasingly require digital literacy, communication skills, financial literacy, technological adaptability and occupation-specific skills. Automation and AI will change existing occupations and create demand for new skills.
- g) Increasing Importance of Labour Policy Reforms: Traditional labour regulations were largely designed around conventional employer-employee relationships. Platform-based work does not always fit neatly into that structure. Therefore, labour policy needs to adapt while maintaining a balance between business innovation and worker welfare.
- h) Opportunities for Inclusive Employment: Gig and platform work can potentially create employment opportunities for women, youth, migrants and persons who face barriers to

conventional employment. NITI Aayog specifically highlighted the potential of the sector for women, youth and persons with disabilities, but inclusion requires safe working conditions, access to technology and appropriate social protection.

6. SUGGESTIONS

- 1. Strengthen Social Security: Develop appropriate social-security mechanisms for gig and platform workers.
- 2. Promote Skill Development: Government and private organisations should provide affordable training in digital, technical, communication and financial skills.
- 3. Improve Digital Literacy: Workers should be trained to use digital platforms safely and effectively.
- 4. Ensure Fair Working Conditions: Platforms should adopt transparent policies relating to payments, incentives, ratings and worker access.
- 5. Improve Occupational Safety: Suitable measures should be developed for workers involved in transportation, delivery and other field-based services.
- 6. Create Portable Benefits: Social-security benefits should remain accessible when workers move between platforms.
- 7. Support Women Workers: Special attention should be given to safety, flexible work arrangements, childcare support and equal opportunities.
- 8. Prepare Workers for AI and Automation: Reskilling and upskilling programmes should help workers adapt to technological changes.
- 9. Strengthen Labour-Data Systems: Reliable data on gig and platform workers should be collected to support evidence-based policy decisions.
- 10. Balance Flexibility and Protection: Labour reforms should preserve flexibility while ensuring minimum standards of worker protection.

7. CONCLUSION

The future of work in India is being shaped by digitalisation, technological innovation, artificial intelligence and the expansion of the gig and platform economy. Gig employment has the potential to generate millions of livelihood opportunities and provide flexible work arrangements. NITI Aayog's projection of approximately 23.5 million gig workers by 2029–30 demonstrates the growing importance of this sector.

At the same time, the expansion of gig work raises important questions concerning income security, social protection, occupational safety, skills and labour rights. The recognition of gig and platform workers within the Code on Social Security, 2020 is an important step towards addressing these emerging challenges.

India's labour policy for the future should therefore focus on creating an ecosystem in which technological innovation and employment growth are accompanied by decent working conditions and social protection. A future-ready workforce will require continuous learning, digital skills, adaptability and access to social-security systems. Appropriate policy reforms can help India achieve a balance between flexibility, innovation, productivity and worker welfare, thereby contributing to inclusive and sustainable economic development.

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