

Union Minister Dr. Mansukh Mandaviya Lauds Historic Budgetary Allocation for Labour Welfare; Says Social Security for Gig Workers a Transformative Step

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The Union Budget 2025 marks a landmark initiative in India's labour welfare landscape with a comprehensive framework to extend formal recognition and social security benefits to gig workers. Lauding the decision, Union Minister for Labour & Employment and Youth Affairs & Sports, Dr. Mansukh Mandaviya, hailed the Government's commitment to ensuring the well-being of over 1 crore gig workers across the country.

Gig Workers to Get Social Security Benefits

Expressing his gratitude to Prime Minister Narendra Modi and Finance Minister Smt. Nirmala Sitharaman for this announcement, Dr. Mandaviya said "The gig workforce is a vital pillar of India's new-age economy, driving innovation and efficiency across digital platforms. Recognizing their contribution, the Government's decision to provide them with identity cards, e-Shram registration, and healthcare security under PM Jan Arogya Yojana is a transformative step towards their social security and well-being. This initiative will empower nearly 1 crore gig workers. Beyond this, the Government remains committed to extending social security benefits to workers in other unorganised sectors as well, ensuring dignity, security, and prosperity for every worker in the country," said Dr. Mansukh Mandaviya.

The rise of digital platforms has revolutionized employment, creating new opportunities for flexible work arrangements. India's gig and platform economy has witnessed rapid expansion, with NITI Aayog's report 'India's Booming Gig and Platform Economy' projecting that the workforce in this sector will cross 1 Crore in 2024-25 and grow to 2.35 crore by 2029-30.

Recognizing this transformation, the Code on Social Security, 2020 (CoSS, 2020) for the first time, defined 'aggregator', 'gig worker' and 'platform worker and introduced legal provisions for gig and platform workers for the first time, ensuring their inclusion in social security measures. This framework laid the groundwork for structured welfare initiatives tailored to the needs of this dynamic workforce.

The Union Budget 2025-26 marks a significant milestone in this journey, with a comprehensive initiative to extend formal recognition and social security benefits to platform-based gig workers. The Hon'ble Finance Minister has announced measures to facilitate their identification through unique identity cards, streamline their registration on the e-Shram portal, and ensure access to healthcare under PM Jan Arogya Yojana. These steps will further strengthen the safety net for over 1 crore gig workers across sectors.

A pilot initiative has already been undertaken by the Ministry of Labour & Employment to register platform workers and aggregators on the e-Shram portal. An Aggregator Module has also been piloted enabling digital platforms to onboard themselves and their workforce onto India's national database for unorganised workers. As part of this pilot, four leading aggregators—Urban Company, Zomato, Blinkit, and Uncle Delivery—have already registered.

The Budget 2025 announcement marks a significant expansion of this initiative, enabling a massive scale-up and institutionalizing these efforts. With enhanced resources, the initiative will ensure that every gig and platform worker has access to essential social security benefits through eShram portal, reinforcing the Government's commitment to safeguarding the interests of this workforce.

The Ministry remains focused on the seamless execution of these initiatives, addressing any operational challenges, and strengthening collaboration with digital platforms. By combining early groundwork with large-scale policy support, the Government aims to create a robust safety net for gig workers, ensuring their security and well-being in India's evolving employment landscape.

Record Budget Allocation for Labour Welfare & Employment Generation

Continuing the Government's focus on labour welfare and employment generation, the Union Budget has allocated a record ₹32,646 crore for the Ministry of Labour & Employment in FY 25-26—the highest ever and almost 80% higher than last year's revised estimates. Dr. Mandaviya highlighted the significance of this historic allocation, stating:

“I thank Hon'ble Prime Minister Shri Narendra Modi Ji for this historic budget which is the highest ever and almost 80% higher than last year's revised estimates. Our focus is firmly on the newly announced Employment Generation Scheme (ELI), for which the budgetary allocation has been doubled from ₹10,000 crore to ₹20,000 crore. The allocation under the Employees' Pension Scheme has been increased by ₹300 crores and under the PM Shram Yogi Maandhan Yojana by 37% compared to last year.”

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