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India's Gig Trap: Why 23 million youth are swapping 'careers' for Rs 22,500 plateau

India's gig workforce to hit 23.5M by 2030, but a "low-skill trap" looms. A Primus Partners report warns of a demographic risk and a missing middle in the labor market. Read how stagnating earnings and zero mobility are impacting India's consumption story



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Article Content:

For India's youth, gig work was meant to be a bridge, an interim income source before something better came along. Instead, for a growing number of workers, it is becoming the destination. A report by Primus Partners warns that by 2030, more than 23.5 million Indians, largely under the age of 35, will be engaged in gig work, up from 7.7 million in 2021.

While the sector has expanded rapidly, the Primus study argues that its current structure risks creating a "missing middle" in India's labour market workers who power consumption and urban services but remain locked out of income mobility, social security, and formal career progression.

Gig work is no longer "side income" in India

Contrary to the popular narrative of flexibility and supplemental earnings, gig work in India has evolved into a full-time occupation. Based on a pan-India survey of 1,500 platform-based workers, Primus Partners finds that 61% of gig workers work eight hours or more a day, while nearly three out of four operate on high-intensity schedules spanning five to seven days a week.

In Western markets, gig work is typically seen as a supplementary source to the primary income. The Indian gig economy is seen as the core entry point into the workforce for people under 25.

With low entry barriers, quick onboarding, and immediate cash in hand, this might seem like a relatively easier option to get into the workforce. However, the report states that early entry into the gig workforce steals the opportunities for foundational skill building.

Earnings rise by hours, not hierarchy

The survey explained that the average monthly earnings of the gig workforce lie at Rs 22,500, with major drivers being long working hours and not promotions or skill-based progression.

Each additional working day in a week adds roughly Rs 2,500 to the monthly income. For workers without formal training, earnings plateau quickly and, even after several years, remain clustered near the same range. The report describes this as “grind-based growth, where workers earn more only by working longer, not by moving into better roles.

Crucially, there are few ladders within platforms themselves. Beyond rare supervisory roles, delivery partners and drivers largely remain in the same positions year after year.

When a stepping stone turns permanent

The longer workers stay, the harder it becomes to leave. While about 15% of gig workers overall still view gig work as a stepping stone, that figure collapses among those in their twenties who have spent more than four years in the same role. For this group, only around 3% still see a path out; most now describe gig work as a long-term career or unavoidable income source.

Long hours, unpredictable schedules and income volatility make upskilling nearly impossible without sacrificing earnings. The result is what the report calls a “low-skill trap”: years of work that build stamina and platform familiarity, but generate little formally recognised experience.

High intensity, low security

Income stagnation is compounded by fragile safety nets. Using a social-security index based on insurance coverage and access to pensions or benefits, the report finds that 31% of gig workers have no social security at all, while another 44% have only partial coverage

Here is the problem: workers without security face financial vulnerability, such as having no savings. One illness, accident or just a bad month can conveniently erase years of hard work.

A demographic risk for the economy

With 60% of India’s workforce under 35, the report highlights how this has become a macroeconomic concern. When the youth are trapped in poorly paid jobs with long hours and physical strain, they aren’t left with much money or time to upskill or move into better roles. This, in turn, curbs household consumption.

The longer this situation persists, the more pressure it puts on the state. Low earnings and job insecurity eventually translate into higher reliance on welfare, healthcare and social support, shifting today's labour market problem into a long-term fiscal burden.

Without intervention, the report warns, gig work could replicate the vulnerabilities of the informal sector, unpredictable income, weak protections, and limited mobility, while scaling them across digital platforms.

Redesigning gig work for mobility

The report does not argue against gig work itself. Instead, it calls for a mobility-oriented redesign of the sector, centred on age- and experience-linked skilling pathways, basic social protections, and greater transparency in platform systems.

Key recommendations include recognising experiential learning, embedding training into work hours, ensuring insurance and income support, and clarifying platform obligations under labour codes. India, the report concludes, is at a pivotal moment. Gig platforms have created jobs at scale. Whether they create futures will depend on whether flexibility is matched with progression, and whether a generation's most productive years are spent building skills or merely logging hours.