

We welcome you to the 14th edition of our quarterly dossier on the "FUTURE OF JOBS IN INDIA". The dossier presents a careful selection of news, op-eds and reports on key developments in the jobs space.

2020 has been quite a roller coaster ride, with a global unprecedented humanitarian crisis, a tumultuous economy and job market and polarising legislations amongst some of its highlights. As we move into a new year, it is thus imperative to take a step back and reflect on all that has transpired and how that can be a learning experience for 2021. The last quarter of 2020 has witnessed a lot of activity in the labour and livelihoods space, which has also set the tone for how the immediate 'Future of Jobs' is going to look like in India.

While the staggering economic impacts of the COVID-19 pandemic have prompted a renewed thought process about the world of work with a focus on decentralisation and resilience building, the new Labour Codes have received mixed reactions because of certain provisions that stack the odds against workers. In other news, global actions taken by the agents of 'Future of Work', the gig companies, may set precedents that can be potentially dangerous in the context of the informal labour force in India. Thus the year ends with a mixed bag, a snapshot of which we present to you.

The 14th edition of this quarterly dossier captures major opinions on the recently enacted labour codes and livelihoods in a post-COVID era.

During this quarter we have also undertaken extensive field-work in Assam, Meghalaya and North Bengal under our ongoing project on 'Strengthening discourse on Economic Regulation to Create Good and Better Jobs in India' (link to the [project webpage](#)). Through the fieldwork, we have covered the challenges of enterprises and workers involved in food processing. We have come up with interesting stories and insights which we are in the process of compiling into a report. We will be sharing our stories from the field in the next edition of the Dossier.



I. The Unequal Indian Economy

1. Pandemic has been a magnifying glass for inequalities in our society

ET Bureau | December 15, 2020



The COVID-19 pandemic has wreaked staggering human misery and tragedy. It has been a sharp reminder that the economy is a part of society; society is not part of the economy, as

articulated by Azim Premji. Human well-being matters — in all its dimensions equally. The pandemic has been a magnifying glass for all the structural inequities and injustices, which excludes hundreds of millions of our fellow citizens from a life of basic dignity.

<https://bit.ly/39O3M9H>

2. Undoing decades of gains in labour jurisprudence

Babu Mathew | The Hindu | December 27, 2020



The year has witnessed the reversal of more than a century of labour jurisprudence. The four new labour codes have been drafted with minimal consultation with labour and critical aspects of labour welfare and collective bargaining have been done away with. The pandemic-induced lockdown has also worked against the workers leaving them devoid of wages and social protection.

<https://bit.ly/3sJrM6x>

3. Addressing the Eclipse over Sunrise Sectors in India

Pradeep S. Mehta and Sarthak Shukla | The Economic Times | December 20, 2020



With the Central Government focusing on enhancing manufacturing activities in India through production-linked incentives for ten sectors, the larger picture that needs scrutiny is the difference between narratives of efficiency and resilience. Despite decades of efforts to enhance the efficiency of production and manufacturing at scale, the nation was a pandemic away from witnessing the grave precariousness of the people engaged in such manufacturing activities. Focused efforts and targeted policy action are the need of the hour.

<https://bit.ly/3bVeyh2>

4. Wistron saga and the state of states

Shankar Aiyar | The New Indian Express | December 20, 2020



For almost a decade the Indian government has focused on an agenda to attract

investments in the manufacturing sector, using low wages and skill availability as bait. However, the recent violence at the Wistron plant in Karnataka over non-payment of wages, highlight the historical gaps in the labour welfare systems which has led to negligible social security and violation of rights of workers.

<https://bit.ly/2YcwmfH>

II. Issues around Employment

5. Flogging labour is not good for capital

R Srinivisan | *The Hindu Business Line* | November 25, 2020



India probably has more laws concerning labour — the three Codes passed recently alone subsume as many as 24 State laws — and there are over 100 different laws in force at the State level also. However, what most of these regulations ended up achieving over time was questionable.

<https://bit.ly/39SCtuO>

6. India Inc feels the rising pressure to serve up jobs for locals

Goutam Das | *Livemint* | November 27, 2020

Bills seeking job reservations for locals have started a debate on the role played by enterprises in nurturing the local



environment and revealed wider issues in the manufacturing industry. The broader message of the bills, according to some in the industry is to make sincere efforts to hire additional native workers in some sectors since not all migrants are skilled. However, businesses are opposing this move as they feel it is less cumbersome to engage migrant labourers as they are more flexible regarding the conditions of work compared to their local counterparts.

<https://bit.ly/2M4lmOt>

III. Labour Law Reforms

7. Labour Codes and the game of thresholds

KR Shyam Sundar | *The Hindu Business Line* | December 16, 2020



Even though the Codes have in some respects widened the coverage of laws and

included newer categories of workers like the gig. But the overall impression one gets is that the business and administrative considerations have dominated the mapping of the coverage of laws and important clauses. Exemptions and thresholds which have been put in the new labour codes cannot be justified in the name of protecting the growth of small enterprises.

<https://bit.ly/2Kz6rLT>

8. New wage code: Why govt's new compensation rules are a hasty composition

Atul Gupta | *Business Today* | December 16, 2020

While the coming few months will show what shape the final codes and underlying rules will take, the government could certainly have



taken a more progressive approach to the new definition of wages, to better address ambiguities and legal uncertainties resulting in fewer disputes and litigation. The current definition resorts to the use of broadly worded inclusions and vaguely worded exclusions, making the calculation complicated. A simpler way to put it would have been a clear demarcation between fixed and variable components as is done by organisations around the world.

<https://bit.ly/3p8sYOA>

IV. Future of Work

9. Rethinking the World of Work

Sabina Dewan & Ekkehard Ernst | International Monetary Fund | December 2020



"Governments should reject the idea that any job is better than no job." That may be true from a destitute worker's perspective, but it makes little sense economically. Poor-quality jobs exacerbate inequality, waste productive potential, and reduce aggregate demand—all of which are bad for growth."

<https://bit.ly/3oZCGmi>

10. Urban India may gain from a jobs guarantee policy

Vivek Kaul | Mint | November 17, 2020



Unemployment in India peaked during the pandemic-induced lockdown.

However, things improved post-

May, with the numbers going below pre-COVID levels. In February, the Labour Participation Rate for urban India was 40.48 per cent, dropping to 37.54 per cent by October. In rural India, it dropped from 43.67 to 42.25 per cent. One reason for the flatter rural curve is the fact that Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) serves rural India. It may be time now for some sort of a similar job guarantee scheme for urban India as well.

<https://bit.ly/39USmRH>

11. Uber, Gig Companies Seek Labor Deals to avoid Workers becoming Employees

Adam Clark | The Wall Street Journal | December 30, 2020

To evade multiple legal judgements across Europe which aim to make gig-workers 'employees'



instead of 'independent contractors', gig companies are trying to make pacts with workers and unions to give them some benefits but not give them the tag of 'employees'. This is because a reclassification from independent contractors to employees will lead to added costs for the companies and reduce flexibility for workers. However, the move has received mixed reviews from the gig-workers who claim that such deals could make them worse off.

<https://on.wsj.com/39WOWOm>

12. Can the right to work be made real in India?

G. Sampath | The Hindu | November 13, 2020

In India, unemployment and the promise of employment have long co-existed. In times of a declining jobs-to-gross domestic product (GDP) ratio the discourse on



'right to work' becomes important, as a means for earning a livelihood without any obstruction. One approach to implement it is through Decentralised Urban Employment and Training (DUET) wherein gainful and dignified employment can be provided to the unemployed for work that is of social value.

<https://bit.ly/3qGRoPM>

You can find links to previous editions of the dossier below:

<https://tinyurl.com/y6b5cjs>