

#FutureofJobsinIndia

Quarterly Dossier Edition 19/Q1/2022

We welcome you to the 19th edition of our Quarterly Dossier on the "FUTURE OF JOBS IN INDIA." It presents a careful selection of news, op-eds, and reports on key developments in the employment wellness of the Indian economy.

As we move into another year, it is imperative to reflect upon the harsh realities that the COVID-19 pandemic has unfolded on labour welfare. India is hoping to bounce back from earlier scars on account of the first two waves of this pandemic. The Indian economy cannot take another employment crisis due to supply-side shocks during the first wave of the pandemic and subsequent lockdowns.

As a response, the Indian policymakers are revisiting the fundamentals of labour welfare, employment equality, and quality of jobs through the lenses of reforms. The soon-to-be-implemented four new labour codes on wages, social security, occupational safety, and industrial relations will be a step in that direction. This is necessary to stem the job crisis spiraling into a social crisis. Labour should not be looked at as a cost component but as "human capital."

Thus, reconstructing an equitable job market for a resilient labour force is an essential investment for building back our economy. This should enable systemic changes, leading to better working conditions, social security, and benefits for the workers; in short, a more balanced and equitable formation of "human capital." One of the key challenges is to focus on skills development, the absence of which is a significant source of inequality.

This dossier has looked into themes related to Green Jobs, the importance of focusing on Skill Development, the role of Economic, Social, and Governance (ESG) parameters in Human Capital Formation and, most importantly, Post-COVID Economic Recovery.



Green Jobs

1. Energy transition to create 3.2 million jobs

The Economic Times | March 22, 2022



There is a pressing need for the energy transition given the rising energy demand, and this can eventually help create 3.2 million jobs by 2050. The transition will help reduce the dependence on imported fuel, which will improve the trade balance and cut greenhouse gas (GHG) emissions. The key contributors to this increasing demand are economic growth, increasing prosperity, the growing rate of urbanisation, and rising per-capita energy consumption.

<https://tinyurl.com/bdd3c3r4>

2. India's new vehicles to be electrified

Times of India | March 21, 2022



India is witnessing a huge transition towards EVs. This is backed by investments from the private sector, which are being directed towards battery manufacturing as the internal combustion engine (ICE) will be replaced by EVs. Targeting both demand-side incentives and supply-side measures are being taken for this policy. The subsidies are linked to investments.

<https://tinyurl.com/5drzvet6>

3. 'Green jobs' key to employment

Samiksha Goyal | Express News Service | February 13, 2022

The recent budget 2022 focused on generating green jobs by emphasising artificial intelligence, geospatial systems and drones, semiconductors and their ecosystem, clean mobility systems, space economy, and green energy. As sectors are transitioning towards low-carbon models, all jobs can be green jobs. These jobs are in traditional sectors such as manufacturing and construction to contribute to the environment and in emerging sectors like renewable energy.

<https://tinyurl.com/4eyky96y>



4. IPCC Climate Change report about job loss

Climate Change 2022: Impacts, Adaptations, and Vulnerability | IPCC



Labour welfare, development, and skilling cannot be perceived inside a bubble but should be viewed through environmental and geographical dimensions. Climate change impacts the natural world and human societies, exacerbating existing vulnerabilities and inequalities. A major effect is job loss, lose their livelihoods, are forced to migrate, etc. Labour productivity will also be impacted by the malnutrition caused due to heat-based mortality and morbidity.

<https://tinyurl.com/3cmzacus>

Skill Development: Re-skilling and Upskilling

5. Making youth industry-ready

Elets News Network | March 25, 2022



Skill development has been a core thrust area of policy because around 65 percent of the Indian population is a part of the working-age group. This makes skilling a challenge and an opportunity, especially in the age of digital transformation. The demands of Industry 4.0 underline the initiatives and schemes.

<https://tinyurl.com/mrym36af>

6. Upskilling with digital interventions

Rakhi Shaha | Mint | January 12, 2022



With rapid advancements in technology and the dynamic nature of the market, it is imperative to re-skill and upskill employees. The responsibility for this is on every organisation. As per the World Economic Forum's Future of Jobs report, 75 million jobs may have been displaced by the end of 2022 due to the shift to machine-based work. It is not just the welfare of workers but investment in human capital. Artificial Intelligence(AI) is the future of technology. Employees can be trained to use them to their benefit.

<https://tinyurl.com/y5y336yp>

7. On-the-job training for all sectors

Yogima Seth Sharma | The Economic Times | January 24, 2022



For skilling and upskilling in India, the government should improve apprenticeship. It could open up on-the-job training for all sectors, besides bringing apprenticeships under one ministry or umbrella body. The skilling of the workforce, especially in the 13 sectors identified under the PLI scheme, could be done at a rapid pace. According to India Skills Report 2019, the employability of India's youth decreased from 46.21 percent in 2020 and 47.38 percent in 2019 to 45.9 percent in 2021. This was primarily due to the loss of skilling in the past two years.

<https://tinyurl.com/2p8nkf2n>

8. Skilling rate of females higher than males

Yogima Seth Sharma | The Economic Times | March 14, 2022

As per the Skill Development Ministry, the rate of skilling in females is much higher than in males compared to the male-female labour force participation rate in the country. According to the period labour force survey, the proportion of skilled female workforce stood at 1.7 percent in 2017-18, 2 percent in 2018-19, and 2.9 percent in 2019-20. Thus, female participation is approximately one-third of male participation.



<https://tinyurl.com/2p827s7a>

ESG and Human Capital Investments

9. A rich India without Indians getting rich

*By Pradeep S. Mehta and Tanya Goyal |
The Economic Times | March 28, 2022*



The Centre for Monitoring Indian Economy highlighted that of 403.5 million jobs, only 282.2 million survived the world's most severe lockdown. The average income of almost 97 percent of Indians has fallen during the pandemic. Though the overall investment in productive sectors in India is rising, the distribution of the gains is skewed. The need of the hour is to ensure that investors ensure better labour welfare and social equality through their investment conditionalities.

<https://tinyurl.com/5x4jn8jw>

10. Workers' safety must be non-negotiable

The Economic Times | March 24, 2022



Worker safety and the security of businesses should be aligned and complementary, not at odds with each

other, as it remains in far too many cases. Norms must be strictly enforced that guarantee workers' occupational safety and health. Minimising work accidents will require concentrated efforts in business operations — enforcement of regulations relating to location and structure.

<https://tinyurl.com/523k2nsf>

11. From farms to offices

*Tommaso Porzio, Federico Rossi | VOX EU (CEPR) |
March 28, 2022*



Traditional theories explain structural transformation by declining the relative demand for agricultural labour over the last two centuries. The focus is on the 'human side' and argues that the relative supply of labour is another important driver. Using data for 52 countries shows that an increase in schooling led to a sharp reduction in the agricultural labour supply by equipping younger cohorts with skills more valued outside of agriculture and making them less willing to stay on the farm.

<https://tinyurl.com/2p9567dr>

12. Embedding Human Capital Management into ESG

*John Rodi and Rebecca Sproul | FEI Daily |
March 24, 2022*

Events of the past two years have put employees front and center. Now more than ever, human capital management



(HCM) is critical to a company's performance and reputation and should be embedded in its environmental, social, and governance (ESG) strategy. Companies are being called on to disclose their HCM resources based on SEC principles, focusing on how material those disclosures would be to understanding a company's business.

<https://tinyurl.com/mr29uynd>

Post-COVID Economic Recovery

13. India to get old before it grows rich

S Irudaya Rajan | The Times of India | January 14, 2022



As per the latest NFHS data, India's total fertility rate, or the average number of children per woman, has declined to 2, falling

faster than anticipated. This means the window to cash in on our demographic dividend is getting shorted. India is still a young country, but our data shows that our working-age population will start declining. We need an educated, skilled workforce and the right structural changes to make the most of it.

<https://tinyurl.com/3j3m7sjk>

14. Formal employment picks up

Rishab Bhatnagar | Bloomberg Quint | March 24, 2022



India's strong momentum in formal job creation has promising economic and social implications, but the mix of employment needs to shift toward higher-quality jobs steadily. The continuous change in the composition of the combination of jobs from informal to formal will have broad implications for the economy through higher productivity, better social security of the workforce, and sustainable consumption. According to the Employees.

<https://tinyurl.com/yc5pw42u>

15. Informal workers registered in e-Shram platform

The Print | February 10, 2022



The government now has a National Database of two-thirds of the informal sector workers in the country. It facilitates the delivery of social security schemes/welfare schemes of the Central/state governments to the workers of informal or unorganised sectors. The government had estimated that informal sector workers are involved in 160 occupations. One is considered unemployed if they are not engaged in any activity for wages or profits and are actively looking for work.

<https://tinyurl.com/2p9h2w3w>

16. Only 40% of Indians are employed

Mahesh Vyas | Deccan Herald | March 15, 2022

Only 40 percent of Indians are employed or looking for work,

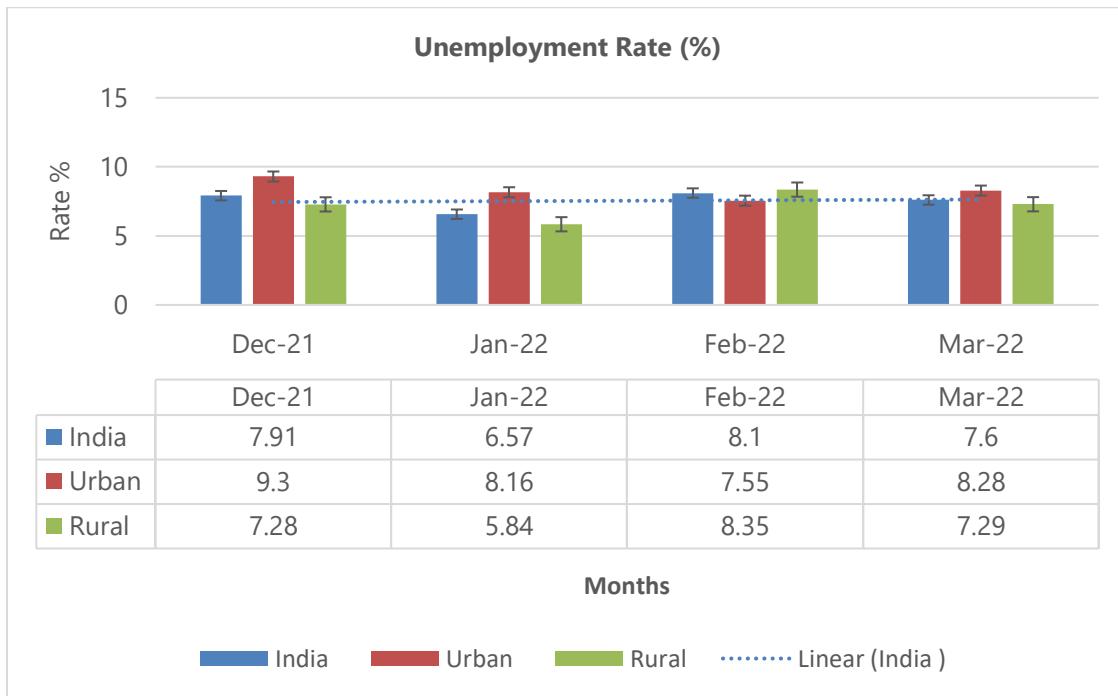


compared to 57-60 percent in most countries. According to Centre for Monitoring Indian Economy (CMIE) data, unemployment in India has hit a six-month high of 8.1 percent in February. India's labour participation rate is meagre. While in most countries, only about 40 percent of the population is out of the labour force, 60 percent of the population is neither working nor willing to work in India. This set of people is not looking for any work as well.

<https://tinyurl.com/2p8aay6v>

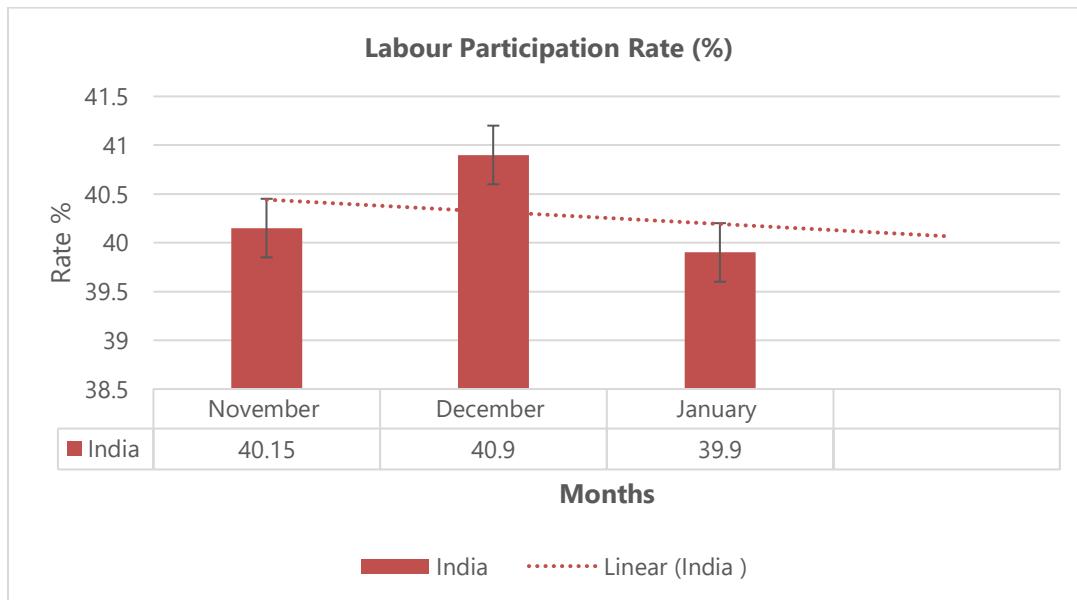
Data Watch

1. Unemployment Rate: The unemployment rate is the number of unemployed persons as a percentage of the total number of persons in the labour force.¹



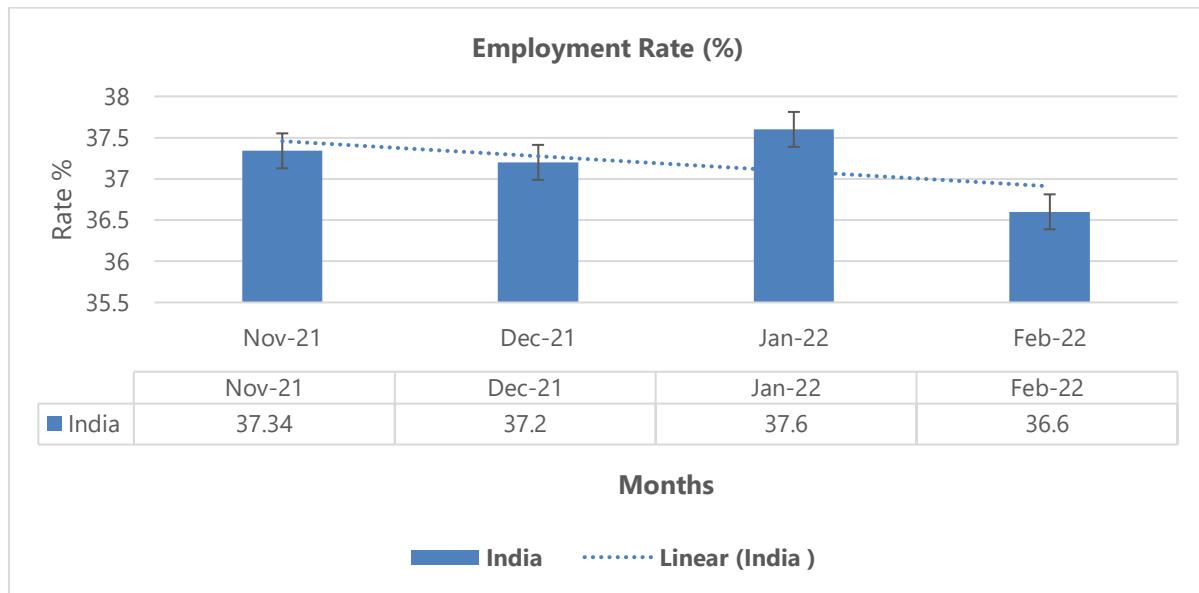
Source: [Unemployment Rate](#): CMIE

2. Labour Participation Rate: The labour force participation rate is the number of persons in the labour force as a percentage of the working-age population. The labour force is the sum of the number of persons employed and the number of unemployed.²



Source: [Monthly labour Participation rate](#): CMIE

3. Employment Rate: Employment rate is defined as the extent to which available labour resources (people available to work) are being used.³



Source: [Monthly Employment Rate: CMIE](#)

¹ [Indicator Description: Unemployment rate - ILOSTAT - International Labour Organisation](#)

² [Indicator Description: Labour force participation rate - ILOSTAT](#)

³ [Employment rate - OECD Data](#)

You can find links to previous editions of this Dossier below:

<https://tinyurl.com/38xx7xk4>

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