

We welcome you to the 21<sup>st</sup> 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 the last quarter of this year, we must reflect upon the harsh realities of the COVID-19 pandemic and its subsequent effects on labour welfare. India is hoping to bounce back and have an economic recovery. The economy cannot take another employment crisis due to supply-side shocks during the first wave of the pandemic and subsequent lockdowns.

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

Thus, reconstructing an equitable job market for a resilient labour force is an essential investment for rebuilding 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 the rising unemployment in India, ESG return on investments, and future-ready jobs, all in the context of post-COVID economic recovery.



## Unemployment Problem in India

### 1. Unemployment crisis is an invisible epidemic

*Ritwik Mukherjee, The Hindu, August 25, 2022*

Interestingly, the official definition of “unemployed” applies to people of working age and seeking a job but does not include everyone who enters the working-age population seeking a job. For instance, existing sociocultural norms and the lack of social safety have resulted in fewer women participating in the labour force than is possible.



As per International Labour Organisation’s figures, India’s female labour force participation at 25.1 per cent in 2021 was lower than the global average, and the corresponding figure for Bangladesh was around 53 per cent. Besides, when prospects are bleak, even men feel discouraged from looking for jobs.

<https://bit.ly/3TbKj7Z>

### 2. India’s great untapped resource: Jobless youth

*Craig Jeffrey & Jane Dyson, The Conversation, August 10, 2022*

High levels of unemployment and underemployment reflect two related trends: the vast numbers of young



Indians drawn into education over the past 40 years, increasing demand for salaried jobs, and the Indian economy’s failure to respond with large numbers of new jobs.

Development theory suggests that agriculturally based countries will transition into manufacturing and services, opening jobs for young aspirants. But this transformation is not occurring in India.

<https://bit.ly/3g1WBRS>

### 3. India’s roller-coaster unemployment crisis

*Radhika Pandey, The Print, October 07, 2022*

Employment in India rose from 394.6 million in August to 404.2 million in September. While the hotel and tourism, and manufacturing sectors saw muted employment generation, sectors such as real estate and construction, education, IT, and delivery and retail are emerging as major employment-generating sectors.



The pandemic has also facilitated the shift towards a gig economy, and employment in the unpaid self-employed category increased.

Further, the share of the labour force engaged in agriculture showed a rise in the survey. The reverse labour migration from cities to villages would have increased the pressure on agriculture to absorb the workers.

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

### 4. India’s big problem of low-quality employment

*Arun Maira, Indian Express, August 14, 2022*

India’s gravest socio-economic problem is the difficulty most citizens have in earning good livelihoods. Their problem is not just employment; it is the poor quality of jobs.



To achieve this, fundamental reform is required in how policies are made. If the benefit of reforms is supposed to be the improvement of all citizens’ ease of earning better livelihoods and with more dignity, whether they are farmers, factory workers, or service employees, should they not be listened to, most of all, within their enterprises, and in the process of shaping policies?

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

## ESG Return on Investments

### 5. We must bridge our 'social' deficit in ESG investments

*Pradeep S Mehta, Livemint, August 02, 2022*

Employment generation is one of the biggest challenges in India, especially in the wake of a global economic downturn. The objective should not just be creating jobs but also ensuring that the new jobs are "Good and better". This would require a sustained effort to create an enabling environment that can accommodate such a large workforce and generate conditions for quality jobs in the economy.



A strong Environment, Social and Governance (ESG) proposition has the potential to create that. An approach to job creation that goes with socially responsible investments has made a paradigm shift in investor interests across the globe. ESG disclosures are a crucial ally of this change.

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

### 6. ESG can help you future-proof your business

*Guruprasad Srinivasan, Times of India, October 09, 2022*

ESG reporting has come a long way. Gone are the days when stakeholders, environmentalists and governing



bodies would be content with a single glossy annual report. Companies are now being increasingly mandated to disclose the environmental and social impact of their operations.

While sound in theory, it becomes increasingly tricky in practice for organisations with a presence in multiple geographies, having third-party vendors with the added inability to secure data from manual processes.

<https://bit.ly/3fPLGL2>

### 7. Friend or Foe in the Modern Age?

*Forbes, October 07, 2022*

91 per cent of US-based CEOs believe they will see a recession in the next year, with 59 per cent planning to pause or reconsider ESG



spending. Only 25 per cent of North American business leaders believe that prioritising ESG strategies will be "essential" in 10 years.

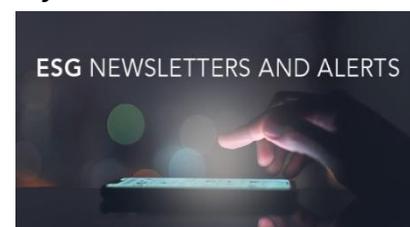
Meanwhile, 85 per cent of global asset-owning fiduciaries see ESG investments as "very" or "fairly" material (financially relevant). A survey of 400 American CEOs found that 91 per cent predict a recession in the next year. And though most of these consider ESG integral to long-term success, 59 per cent see ESG taking a backburner thanks to soaring inflation and a shrinking economy.

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

### 8. What do CEOs think about ESG

*Emile Hallez, ESG Clarity, October 06, 2022*

Businesses would benefit from more focus on ESG, but some say they lack resources.



The leaders of major companies worldwide see the merits of improving their businesses' ESG criteria, but those CEOs also say they are in a pinch to do so while on the brink of a recession.

This is among findings in a report KPMG published after surveying more than 1,300 CEOs of companies in 11 markets. Nearly half, 45 per cent, of CEOs, said ESG programs at their companies improve financial performance, seemingly in line with the views of many asset managers who have been busy building sustainable investment products.

<https://bit.ly/3SQPIS2>

## Future Ready Jobs

### 9. Building the drone ecosystem for jobs

*Pradeep S Mehta & Tanya Goyal, Economic Times, July 27, 2022*

India needs to intensify its manufacturing capability through either tech licensing or the adoption of tech for manufacturing on a large scale, i.e. subscribing to Industry 4.0. It needs to design drones for different applications, for which a design application centre could be built.



Skilled operators must be developed in line with the range of sectors/business segments and product applications. A robust maintenance infrastructure also needs to be put in place for product utilisation, and skilled technicians would be required as part of the value chain.

<https://bit.ly/3Vn9A0C>

### 10. What India needs to solve its unemployment

*Shiva Rajora, Business Standard, August 24, 2022*



There is a growing chasm between education, training and employment in India. The incidence of formal training remains low, despite a plethora of government schemes and institutions providing training. Apprenticeships can help bridge these gaps, resulting in better outcomes for youth and a good return on investment for employers by significantly reducing the cost of hiring.

<https://bit.ly/3CQ78Zm>

### 11. How India Can Sustain Rapid Economic Growth

*Barry Eichengreen & Poonam Gupta, Project Syndicate, August 12, 2022*



One might quibble that India had an exceptionally difficult pandemic, so it now has unprecedented scope for bouncing back. But other countries hit hard by COVID-19, such as Mexico, are not doing as well. One might also note that, with India's still-rapid population growth rate, per capita incomes are rising more slowly than the aggregate GDP figures.

But a population growth rate of one per cent does not fundamentally change the story. Given its favourable demography, democratic polity, and large and diversified economy, India can grow at seven per cent or higher for years to come. But the only route to such growth that remains open runs through structural reforms that the government has taken off the table.

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

### 12. Need to create a future-ready workforce

*Ronnie Screwvala, Mint, September 01, 2022*

The need to reskill our workforce to face the future with greater confidence has only become more relevant and

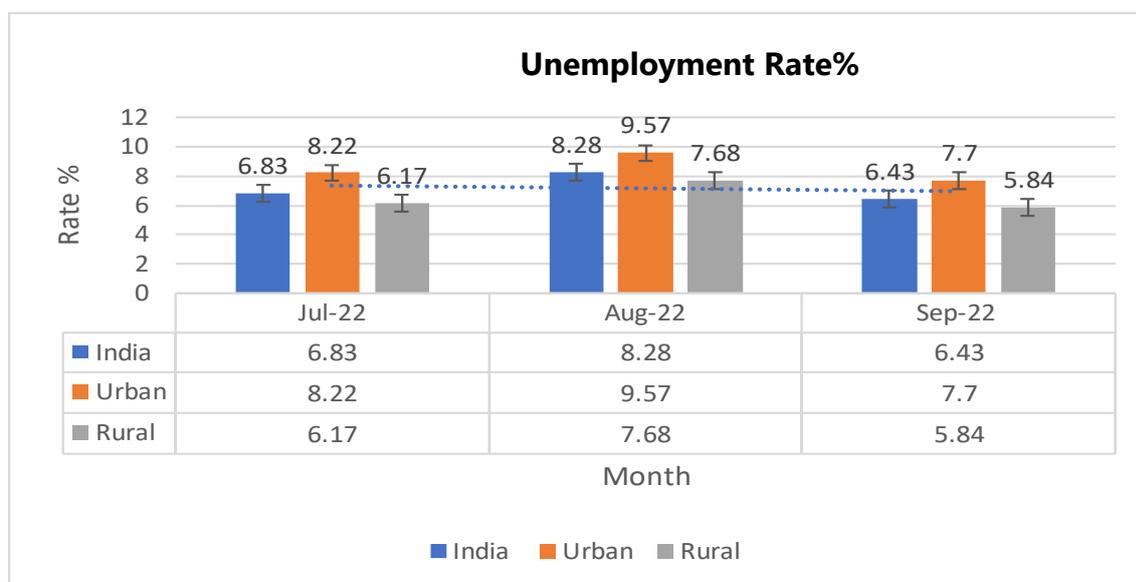


urgent as we recalibrate our mid-term economic goal to become a US\$5tn economy by 2025 from around US\$2.8tn. Failing to address the challenge of creating a future-ready workforce would mean that we will end up with a situation of "jobless growth" and, to put it mildly, a socio-economic disaster that no country can afford.

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

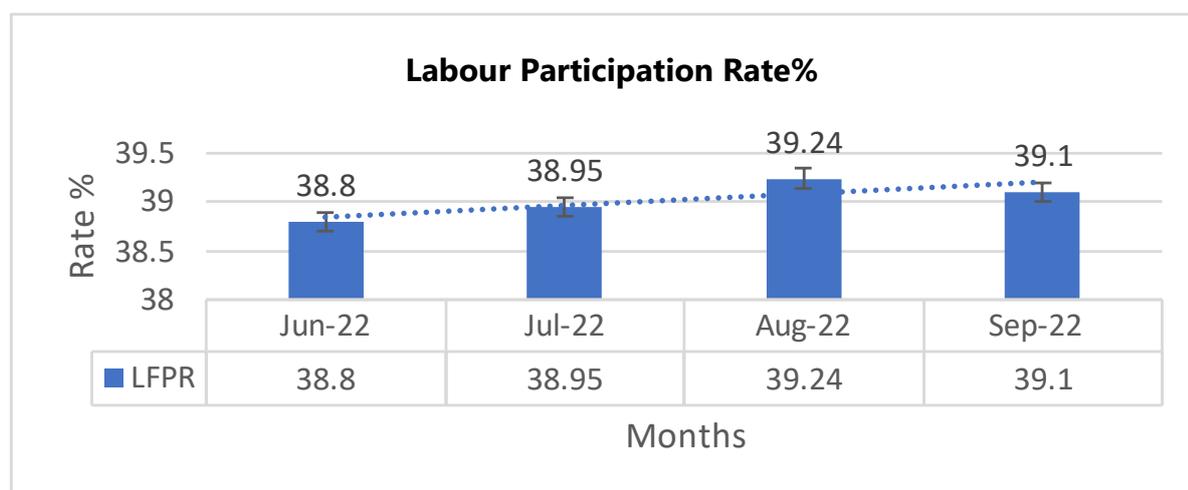
## Data Watch

- 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.



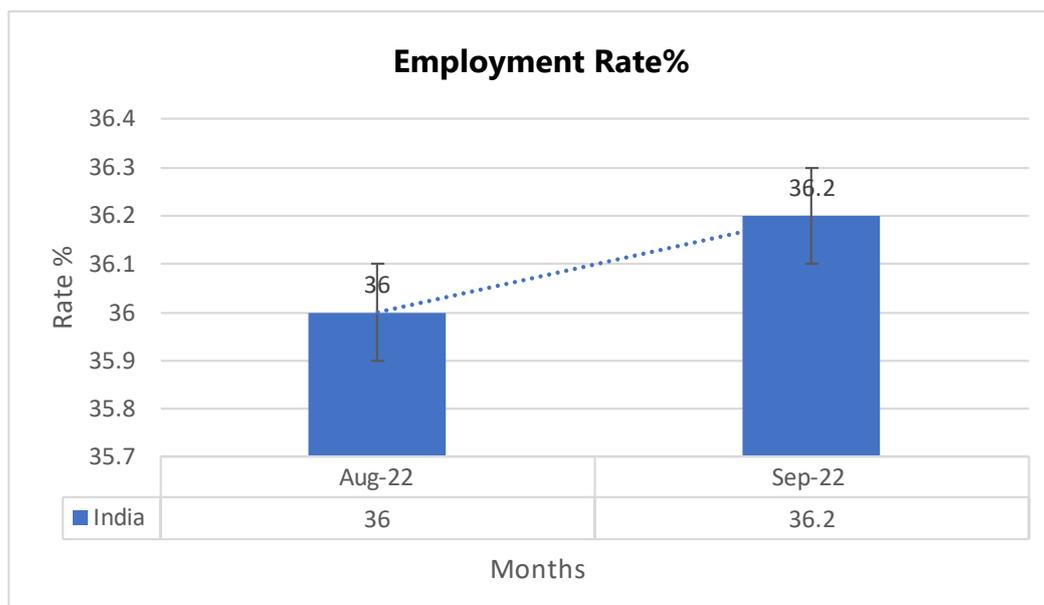
Source: [Unemployment Rate](#): CMIE

- 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.



Source: [Employment fell in August 2022](#) / [Business Standard News](#) [Employment rate increasing in July after fall in June](#): CMIE - Times of India

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



Source: [Employment fell in August 2022 | Business Standard News](#)

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

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