

# Towards Good and Better Jobs in India: Budget 2023

**17** March  
**2023**  
Friday  
11:00 - 13:00 hrs  
(Indian Standard Time)

## Report of Webinar

### *Welcome Remarks*

- **Yatika Agrawal**, Research Associate, CUTS International

### *Opening Address*

- **Pradeep S Mehta**, Secretary General, CUTS International

### *Moderator and Wrap-up*

- **Sushil Muhnot**, Senior Advisor, CUTS International

### *Key Speakers*

- **Radhicka Kapoor**, Senior Visiting Fellow, Indian Council for Research on International Economic Relations (ICRIER)
- **Ajay Shankar**, Chairman, TEMA Council on Industrial Policy
- **Virjesh Upadhyay**, Director General, Dattopant Thengadi Foundation
- **Janaki Srinivasan**, Associate Professor, International Institute of Information Technology Bangalore (IIIT-B)
- **Gayathri Vasudevan**, Co-Founder and CEO, LabourNet
- **Rituparna Chakraborty**, Executive Director, Team Lease

## Key Takeaways

### *Theme 1: Budget 2023 and Employment*

- Employment is sub-optimal in many sectors, particularly in small and medium. The economy should not only be concerned about unemployment among youth but consider the dual challenge of under-employment and unemployment.
- The issue of job creation can be understood on the two parameters, that is employment and employability. Employers or industries are facing challenges in identifying a skilled workforce and society is facing the challenge of job creation. Therefore, these two aspects need attention. Budget 2023 has showcased thrust for skilling, reskilling, up skilling and recognition of prior learning (RPL).

- In the budget, there are high investments in infrastructure development which create both direct and indirect jobs and enhance productivity in the long run that further accelerates private investments and jobs. However, this strategy is viable from a long-term perspective, but not for creating jobs in the short-run due to their long gestation period.
- The budget has further emphasised on MSMEs which play a significant role in job creation. However, it is important to note that only young tech-based MSMEs are the engine for employment generation. Thus, measures should be taken for non-tech MSMEs to accelerate entrepreneurship and skill development.
- Budget has also shown a positive signal towards green growth. There is a need to look at green growth initiatives from the lens of job creation. Initiatives should be taken to encourage MSMEs to go green and consume green electricity.

### ***Theme 2: Role of Central and State Governments and Private Investments***

- The strategy for creating employment highly depends on the nature of investments incurred. For instance, investments incurred by the Central Government are capital-intensive in nature, thus, the role of the State is crucial to invest in local projects which are labour-intensive to create better employment opportunities.
- There is a need to shift policy focus towards demand-side measures and look beyond the supply-side issues to attract private investments for employment generation.
- The Central Government alone cannot address the issue of unemployment. The entire ecosystem, including Central and State Governments and Private Enterprises, is equally responsible to create an ecosystem to provide employment.

### ***Theme 3: Emerging Sectors and Future of Work***

- **Tourism:** Tourism is a sunrise and labour-intensive sector, which holds a high potential for employment generation. The government needs to adopt an oasis development approach in this sector to increase tourist attraction. The state government also plays a major role in mitigating the risks by allotment of low-cost land rather than auctioning land to attract private investments.
- **Gig economy:** The gig economy does not have a traditional relationship of employment. Thus, there is a need to address its issues from a different perspective. There is a lack of available statistics regarding the gig sector's contribution to employment. Thus, it is crucial to regulate gig work, especially in terms of transparency in reporting workforce numbers, and reasonable data protection practices but provide data access to worker groups and governments, apart from algorithmic transparency and audits. This will help workers make better decisions to safeguard their interests.
- **Care economy:** The care economy, including Ayurveda-based care, is emerging as a potential sector globally. Thus, there is a need for the government to design higher budgetary allocations and pay huge attention to developing the care sector and workers.
- There is a need to focus on the availability of employment for each cohort (age group) of the working population. For the pre-18 cohort group, it is important to align education

with vocationalism. Also, it is imperative to ensure easy skill accessibility for each cohort in the country.

- The future of work will require advanced technical and soft transferable skills, among others. The creation of quality jobs requires attention to working conditions, workplace culture, job design, skill development and career advancement.

## Way Forward

1. There is a need to re-think about production linked incentive (PLI) schemes beyond increasing productivity and capability of manufacturing sectors by emphasising employment generation. Further, it is important to identify labour-intensive global supply chains to promote jobs.
2. Creative thinking, decentralised investments, and state intervention for risk mitigation are required to encourage private investments for better job creation.
3. Measures should be taken to strengthen the social security net for self-employment, and employment in the private sector, and the emerging sectors. Both the government and society must play an important role in making social security sustainable.
4. Skill development is an essential factor for achieving the objective of decent work both by achieving productivity and sustainability of the organisation and for improving the working conditions of the workforce. Therefore, immediate measures should be taken to utilise public expenditure for skill development.
5. There is a need to have different strategies for skill development for each cohort sliced by different age groups.
6. There is a need for synergy and alignment among public-policy makers, industries and academic institutions to create better job opportunities.