

Virtual Panel Discussion

AI and the Future of Work in India

26
July, 2024
Friday
1530-1700 (IST)

1. Background

A virtual panel discussion titled “AI and the Future of Work in India” was organised by CUTS International on 26 July 2024. The aim of the panel discussion was to delve into the multifaceted impacts of AI on the Indian workforce and economy. The themes of the panel discussion explored the manner in which AI will create and transform jobs, the pressing need for upskilling and reskilling, and the unique challenges and opportunities AI presents for the MSME sector, a sector pivotal to India’s economic growth. A brief snapshot of the programme and discussions have been presented below.

2. Programme Schedule

Introduction

- **Tasmita Sengupta**, Research Associate, CUTS International

Setting the Context

- **Sanchita Chatterjee**, Fellow, CUTS International

Moderator

- **Prodipto Ghosh**, Former Secretary Ministry of Environment, Forest and Climate Change, CUTS International

Panellists

- **Pallavi Sondhi**, Senior Associate, Ikigai
- **Ipsita Roy**, Assistant Professor, NIT Rourkela
- **Satyaki Roy**, Associate Professor, ISID Delhi
- **Sudipta Ghosh**, Analytics Leader, PWC
- **Sangeeta Gupta**, Senior VP and Chief Strategy Officer, NASSCOM
- **Anulekha Nandi**, Fellow, ORF

Vote of Thanks

- **Varidhi Singh**, Advisor, CUTS International.

3. Key Takeaways from the Discussions

Key Issues

- The panel discussion was held as part of a project that aims to build a narrative on [Good and Better Jobs in India](#), especially workers with informal working arrangements, contractual workers and gig workers
- In this context it was argued it is imperative that we understand the issues faced by informal workers and discuss the impact of AI on informal workers in India. Research conducted by CUTS indicates that 22 percent of gig workers feel that they lack adequate training to access information on the social protection measures available to them.
- Panellists acknowledged that AI is expected to have a wide-ranging impact on the workforce and put forward suggestions and ideas on possible applications of AI to mitigate certain crucial challenges faced by India now.
- It was also stated that while new job opportunities for skilled workers will be generated by AI, significant threats to democracy and challenges for large-scale informal workers, especially those earning lower wages, will also be posed.
- While AI will eventually create more jobs and transform India's labour force, we must address its short-term impacts on the informal workforce by designing accessible social security schemes by the government in collaboration with the industry.
- Despite its advanced capabilities, AI is inherently devoid of innate human traits such as empathy and higher-order creativity. Higher-order creativity cannot be genuinely replicated by AI, as it relies on pre-existing data and algorithms. As a result, while AI can automate tasks and enhance productivity, it will be essential for future work environments to focus on nurturing uniquely human skills and creativity that AI cannot replace. This emphasis will help ensure that human contributions remain valuable and indispensable in an increasingly automated world.
- Furthermore, true emotional intelligence and authentic human connection, essential for empathy, are beyond AI's reach. While certain aspects of empathy and creativity can be simulated by AI, the consciousness and emotional depth necessary for these nuanced human qualities remain absent. As a result, professions that rely heavily on emotional intelligence and genuine human interaction, such as counselling and leadership roles, will continue to require a human touch, highlighting the importance of these skills in the future workforce.
- India's job market is experiencing a trend of polarisation between job holders of different kinds due to a disparity between the skills being replaced and those in demand with increased adoption of technology. If mitigation measures are implemented, this

phenomenon could yield a multiplier effect on the economy by enhancing consumption levels and dropping product prices.

- Further, India faces a significant digital divide due to disparities in access to technology and the internet across different regions and socioeconomic groups. Digital literacy is essential for individuals to fully utilise AI, as it requires the ability to understand and use digital tools and platforms.
- The absence of widespread digital literacy prevents many from benefiting from AI advancements, further exacerbating existing inequalities. To bridge this divide and promote equitable growth, concerted efforts must be made to enhance digital education and infrastructure.
- With the rise of AI and evolving times, new job opportunities and skill set requirements will emerge. If our workforce continues to embrace risk-taking and quick learning, this change can become an opportunity for economic development rather than a threat.
- AI is a double-edged sword, but it's our responsibility to harness its potential to our advantage. By focusing on optimising and streamlining processes, we can ensure that AI not only avoids displacing jobs but also enriches and adds value to them.

Way Forward

- Leverage a Public-Private Partnership (PPP) model to develop social security programmes accessible to informal workers in collaboration with the government and industry. These programs should be designed to enhance long-term benefits while mitigating the immediate challenges that AI presents to the informal labour force.
- Invest in digital education and infrastructure to enhance digital literacy across various geographic and socioeconomic categories. This investment will ensure fairer access to AI advancements and help bridge the digital divide.
- Implement community-based reskilling and upskilling programs to prepare informal workers for AI adoption. This preparation will enable them to capitalise on new opportunities created by AI and compete effectively in the evolving job market.
- Raise awareness and increase knowledge of responsible AI usage among MSME sector and offer focused capacity building. This will entail locating relevant AI toolkits and picking up tips from the best practices globally, such as Singapore's MSMEs sandbox.
- Guarantee an appropriate understanding of responsible AI within the MSME sector, there is a need to focus on spreading knowledge, finding relevant AI toolkits for every industry, and offering targeted capacity building. MSMEs frequently encounter challenges in obtaining tailored solutions that meet their specific needs and struggle to successfully integrate AI due to a lack of resources and experience. India could refer to the MSMEs toolkit sandbox, which was set up by Singapore.

- Collaboration between the government, private players, and educational institutions should be established to create platforms offering a wide range of courses tailored to the informal workforce. Interactive tutorials, simulations, and adaptive learning algorithms should be used to enable these workers to acquire new skills at their own pace. These partnerships will ensure that AI-driven initiatives are inclusive, well-funded, and effectively address the diverse needs of the informal workforce.
- Lifelong learning should be facilitated with AI to provide flexible, on-demand access to educational resources and training for both informal and formal workers. This approach ensures continuous skill development, helping workers stay competitive and seize new opportunities created by technological advancements.