



DAILY EDITORIAL ANALYSIS

TOPIC

**INDIA'S NEXT EMPLOYMENT
DECADE: FROM JOBS TO QUALITY
CAREERS**

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INDIA'S NEXT EMPLOYMENT DECADE: FROM JOBS TO QUALITY CAREERS

Context

- India enters its **next employment decade** with a larger workforce and stronger foundations in infrastructure, formalisation, skilling and entrepreneurship. The challenge now is to convert this scale into **productive, formal, well-paid and inclusive employment**.

About India's Employment Status

- India's employment landscape has undergone significant change over the past decade.
- The **RBI's KLEMS database** provisionally estimates employment to have increased from **47.15 crore in 2014-15 to 64.33 crore in 2023-24**, an addition of 17.18 crore workers.
- However, employment numbers alone do not capture its quality. The next phase needs to focus on **formalisation, real wages, social security, productivity, working conditions and career progression**.
- The Reimagining Skilling for Viksit Bharat@2047 (**NITI Aayog report**), highlights the scale of the skilling challenge, estimates that around **9 crore young Indians were neither in education, employment nor training (NEET)**, with nearly 88% engaged in domestic duties.
- Such persons should not automatically be labelled unemployed, but the figures reveal substantial untapped human capital, particularly among young women.

Employment Indicators

- Unemployment Rate (UER):** Unemployment Rate measures the percentage of unemployed persons within the labour force.
 - It is calculated as the number of unemployed persons actively seeking work divided by the total labour force.
- Labour Force Participation Rate (LFPR):** LFPR refers to the proportion of the working-age population that is either employed or actively seeking employment.
- Employment Rate (ER):** Employment Rate measures the proportion of the working-age population that is employed.

Present Status and Growth Trends in the Last Decade

- Employment has expanded alongside improvements in financial inclusion, infrastructure and entrepreneurship.
 - Female Labour Force Participation Rate (LFPR)** under usual status increased from **23.3% in 2017-18 to 41.7% in 2023-24**.
 - More than **1.64 crore candidates** have been trained/oriented under the **Pradhan Mantri Kaushal Vikas Yojana (PMKVY)**.
 - Over **56.08 lakh apprentices** have been engaged since 2016.
 - Recognised start-ups have emerged as an important source of employment, generating **over 23 lakh direct jobs by April 2026**.
 - India's unicorn ecosystem has expanded from just four unicorns in 2014 to **more than 120 firms valued above \$1 billion**.
 - Around half of recognised start-ups originate from **Tier-II and Tier-III cities**, indicating increasing geographical diversification.

- At the same time, labour statistics must be interpreted carefully. **Current Weekly Status (CWS)** captures activity during the preceding seven days, whereas **Usual Status** reflects the longer-term annual employment situation.
 - ♦ Monthly, weekly and annual indicators are therefore complementary, not interchangeable.

What are the Key Concerns and Issues?

- **Quality versus Quantity of Jobs:** The addition of workers does not automatically imply productive or adequately paid employment.
 - ♦ Informal work, low wages, inadequate social security and underemployment remain concerns.
- **Educated Youth Unemployment:** First-time entrants, particularly graduates, often face a mismatch between qualifications and market requirements.
 - ♦ **Skill mismatch and lack of industry exposure** restrict employability.
- **Women's Employment:** Unpaid care work, safety concerns, mobility constraints, social norms and lack of suitable local employment continue to limit women's participation despite rising female LFPR.
- **Skill-Industry Mismatch:** Traditional skilling systems need stronger links with actual employer demand, apprenticeships and emerging sectors such as **AI, electronics, green technologies and advanced manufacturing**.
- **Limited Capacity of Government Employment:** Public employment remains important, but the government cannot absorb the millions entering the workforce every year.
 - ♦ Private enterprise and scalable MSMEs must become major employment engines.

Related Efforts and Reforms

- Government initiatives have created important building blocks:
 - ♦ **PMKVY** for market-oriented skilling.
 - ♦ **Apprenticeship programmes** for industry exposure and work-based learning.
 - ♦ **MUDRA** and **Stand-Up India** for entrepreneurship and credit access.
 - ♦ **Jan Dhan Yojana** for financial inclusion.
 - ♦ **Start-up India** for innovation-led entrepreneurship.
 - ♦ **Self-Help Groups** for women's economic empowerment.
 - ♦ Infrastructure, sanitation, clean cooking fuel and tap-water initiatives that reduce women's unpaid domestic drudgery.

Way Forward: India's Next Employment Decade

- India needs to move from an '**employment quantity**' framework to an '**employment quality**' framework. For this, there is a need to:
 - ♦ Create a national employment dashboard tracking formalisation, real wage growth, social security coverage, hours worked, sectoral productivity and movement from low-income to stable employment.
 - ♦ Make skilling **demand-led and industry-linked**, with apprenticeships, internships and employer-certified outcomes at its core.
 - ♦ Enable MSMEs and micro-enterprises to **scale, formalise and hire** through easier compliance, credit, technology and market access.

- ♦ Make women's employment a central policy objective through **affordable childcare, safe transport, working-women's hostels, flexible formal work, digital access and jobs closer to home.**
- ♦ Strengthen public recruitment through transparent vacancy filling, examination integrity and timely results.

Conclusion

- India has built a credible employment foundation over the last decade. The next challenge is more demanding: **turning a larger workforce into productive careers and converting demographic potential into a demographic dividend.**
- A durable compact among **government, industry and educational institutions** can help India move from more workers to **better jobs, higher productivity and inclusive prosperity.**

Daily Mains Practice Question

[Q] Examine the key challenges confronting India's next employment decade and suggest measures to ensure productive, formal, inclusive and skill-oriented employment.

Source: IE

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