Future of Work in India - Report

Why in news?

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World Economic Forum has released the “Future of Work in India” report recently.

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What does the report include?

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- The report includes survey of over 770 companies, from micro-sized firms to those employing more than 25,000 workers.
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- It was done across four industries such as textiles, banking and financial services, logistics and transportation, and retail to understand how technology impacts the workforce.
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What does it reveal?

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- **Preference** - The study has found that companies in India experiencing the highest growth prefer hiring men.
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- The report takes into consideration worldwide concern that technology adoption may displace human workers, leading to jobless growth.
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- The findings indicate that there is overall technology-led job growth, but men are disproportionately reaping the benefits.
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- While only 11% of the companies surveyed stated they wanted to hire more women, 36% of companies reported a preference for men.
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- For jobs that are experiencing the highest growth, companies are hiring

women at only 26%.
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- **Workforce participation** - Women are entering the workforce at a slower rate than current female workforce participation.
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- The recent All India Survey on Higher Education (AISHE) shows that more women now go to college than men and there are as many women as there are men in undergraduate science programmes.
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- However, the country's female workforce participation stands at a mere 27% which is 23 percentage points lower than the global average.
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- This shows that increase in the gross enrolment ratio of women doesn't automatically confirm their entry into the workforce.
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- **Sector- wise** - The survey also found that currently, a third of the companies had no female employees, 71% have fewer than 10 per cent female workers, and only 2.4% have half or more females.
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- The retail sector had the most companies with no female employees at 45%, followed by transport and logistics at 36%.
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What are the changes witnessed in the nature of jobs?

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- Workforce is trending toward independent, freelance and informal labour that, again, give men the advantage.
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- The concept of informal work includes unpaid work of family members, which women participate in three times more than men.
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- Sixty-six per cent of work by women is unpaid, while male work is 12% unpaid.
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- Of the companies surveyed, 22% will replace permanent workers with contract workers in the next five years.
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- 75% of freelancers are men, and men with 10 to 20 years' experience are paid 30% more than their female counterparts.
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- Also, the participation of women in freelance work declines with more career

experience.
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- Freelance work drops from 37% for women with up to five years' experience to 10% for women with more than 10 years' experience.
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- Less than a quarter of the companies provide maternity leave for permanent employees and 10% for contract workers.
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What is the case with India?

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- India witnessed a sharp rise in life expectancy and a drop in fertility rate, expanding the working age population to 300 million more adults by 2040.
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- Also every year, 1.3 million young people enter the working-age population.
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- According to the "Future of Jobs" report, machines are projected to overtake humans in workplace task hours in 12 key industry sectors by 2025.
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- Almost half of all companies expect automation to cut their full-time workforce in the next four years.
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- The WEF identified the reskilling and upskilling of employees as an urgent imperative.
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- 54% of Indian workers in these industries would need reskilling by 2022.
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- Of this, while 35% would need at least six months' worth of reskilling, 10% would need more than a year of training in order to meet the demands of the new economy.
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- Thus, considering both these reports, ensuring a proper social security mechanism for informal sector workers, increasing gender parity in workforce participation and enhancing skills of the youths requires additional focus on part of the government.
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Source: The Indian Express

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