

Union Budget and Job Creation

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Union Budget and Job Creation: A Pathway to Viksit Bharat

Introduction

The **Union Budget** plays a vital role in shaping **India's economy**, especially in **employment generation**. While **short-term measures** like tax relief can boost consumer spending, **long-term structural reforms** are essential for **sustained job creation and real wage growth**.

In the **2024 Union Budget**, the government introduced **Employment Linked Incentives (ELI)** under the **Prime Minister's five-scheme initiative**, aiming to create **over four crore jobs in five years**. However, achieving the vision of **Viksit Bharat (Developed India)** requires a deeper focus on **what types of jobs are needed** for long-term growth.

Key Areas of Employment for Viksit Bharat

India's future job market must focus on three critical categories to ensure **economic stability and social progress**:

1. Jobs That Support Climate Resilience

Why is this important?

- **Climate change** is already affecting **agriculture, industries, and overall productivity**.
- In **2019**, India was the **7th most-affected country** by climate change.
- The **Reserve Bank of India (RBI)** estimates that **climate adaptation costs** could reach **\$1 trillion by 2030**.
- India lost **\$159 billion in income in 2021** due to climate-related issues.

How can India create climate-resilient jobs?

- **Expanding Renewable Energy** - Meeting the target of **500GW non-fossil energy capacity** could generate **over one million jobs**, especially in **solar and wind energy**.
- **Sustainable Transportation** - Providing **state-subsidized e-rickshaws in six lakh villages** could create **two million jobs**, particularly for **women**, while improving last-mile connectivity.
- **Waste-to-Energy Projects** - Increasing the number of **compressed biogas plants** from the current **82 to 5,000 (2018 target)** could provide employment in **waste management and**

green energy sectors.

Impact

These initiatives will not only generate employment but also help **India achieve its Net-Zero 2070 target** while strengthening rural and urban economies.

2. Jobs That Can Withstand the Impact of Artificial Intelligence (AI)

Why is this important?

- **Automation and AI** are replacing jobs, particularly in the **IT and business services sectors**, which contribute **over 70% of India's service exports**.
- A **McKinsey Global Institute** report predicts that **50% of India's jobs** could be automated in the next **10 years**.
- Technologies like **metaGPT, AI-powered coding, and chatbot-driven customer service** are already affecting traditional employment.

How can India create AI-resilient jobs?

- **Expanding Education and Healthcare Sectors** - Addressing the **shortage of teachers and healthcare professionals** will create **stable, AI-resistant jobs**.
- **Supporting Rural Livelihoods** - Strengthening the **National Rural Livelihood Mission (NRLM)** can help **artisans, farmers, and craftspersons** by linking them to **urban and global markets**.
- **Developing AI-Augmented Roles** - Instead of replacing human jobs, **AI should be used to assist workers** in areas like **legal research, medical diagnostics, and financial services**.

Impact

Focusing on **AI-resilient jobs** will ensure that India's workforce remains **competitive, innovative, and less vulnerable to job losses** due to automation.

3. Jobs That Match the Aspirations of India's Youth

Why is this important?

- India's **youth population** is growing, and their **career aspirations** are evolving.
- Many young Indians, particularly in rural areas, still **depend on government job exams**, which are often delayed or uncertain.
- The **gap between education quality and job market needs** makes it difficult for many youth to find well-paying jobs.

How can India create aspiration-driven jobs?

- **Strengthening Agricultural Supply Chains** - Constructing **70,000 integrated pack-houses** can reduce **post-harvest losses** and create **over two million jobs**.
- **Promoting Local Agri-Input Manufacturing** - Encouraging **domestic production** of

- fertilizers, pesticides, and organic products can **reduce imports** and create **stable jobs**.
- **Modernizing Rural Industries** - Leveraging **digital platforms and social media** to promote **traditional crafts and businesses** can turn them into **attractive career options**.
 - **Public-Private Partnerships (PPPs)** - Collaborating with industries for **structured employment pathways** can help **reduce youth frustration caused by exam leaks and low recruitment vacancies**.

Impact

Aligning job creation with **youth aspirations** will ensure that young Indians **find meaningful, fulfilling careers** that contribute to the country's economic growth.

Conclusion

While **short-term measures** like tax relief provide temporary economic benefits, **long-term structural reforms** are necessary to create a **robust and future-ready workforce**.

Key Areas for Job Creation in Viksit Bharat

- **Climate-Resilient Jobs** - To support sustainability and environmental goals.
- **AI-Resilient Jobs** - To protect human creativity and traditional industries.
- **Aspiration-Centric Jobs** - To match employment opportunities with youth ambitions.

By strategically focusing on **these employment categories**, India can **safeguard its workforce from future challenges**, ensure **sustained economic growth**, and achieve its goal of **Viksit Bharat** - a fully developed and self-reliant nation.

