



**National Tripartite Dialogue On**  
**Future of Work: Challenges and Opportunities**  
**8 July 2016**

**Summary Report**

The Federation of Indian Chambers of Commerce and Industry (FICCI) organized a national tripartite dialogue on the ILO's initiative on the *Future of Work: Challenges and Opportunities in New Delhi* during the visit of Mr. Guy Ryder, ILO Director-General, which witnessed the presence of important dignitaries from the tripartite constituents, policy-makers, the academic community, international partners and several other stakeholders. The dialogue put forth a number of challenges that engulf the Indian labour market today but also provided insights on the future discussions to address the changing requirements of the world of work today.

In his opening remarks, Mr. Y.K Modi, Executive Chairman, Great Eastern Energy Corporation Ltd. and Employer Member (India), ILO Governing Body, outlined the current Indian labour market scenario and the importance of understanding and addressing changing labour market issues since India is not only one of the fastest growing nations of the world but also has the world's largest youth population. He emphasized that India must strive to generate self-sustaining jobs for young Indians to capture the demographic dividend. He highlighted four important issues: encourage entrepreneurship and entrepreneurs, change in the policy mindset, promote an employment policy instead of a labour policy and address challenges of skills mismatches. He also mentioned a number of important steps taken by the Government of India in this direction and concluded by acknowledging that future of work is critical for India but every challenge is accompanied by an opportunity which the economy needs to unleash.

Mr. Shankar Aggarwal Secretary (Labour and Employment), Government of India and Member, ILO Governing Body, articulated the strides that India has made since independence and highlighted the key economic challenges. He said that the economy faced four major challenges at the time of independence: governance, security, availability of food grains and a low growth rate. He indicated that India is the largest and most vibrant global democracy, self-sufficient in meeting food requirements and a major exporter of rice, wheat and milk, one of the fastest growing global economies with steady growth rates but with one-third of its population still below the poverty line. He outlined that a major challenge for the Indian economy today is to ensure inclusive growth and the creation of decent jobs. He mentioned that India faces a unique paradox - on the one hand, lesser jobs are created each year (despite 10 million people entering the labour market yearly) and on the other hand, if one looks at the unemployment rate, it is extremely low. This is because a large number of people do find employment but it is of sub-optimal nature concentrated either in agriculture or construction sectors. This needs to change. On the future of work, Mr. Aggarwal highlighted the paradigm shifts brought about by changing and advanced technologies and by the evolving definitions of work, employee and enterprises. Some changes are due to advanced processes of outsourcing where value addition is at different levels and at different geographical locations, making it difficult even to put labour laws in place since many times the



supply chains cut across national boundaries. With the changing nature of work and related issues in the world of work, the collective wisdom of ILO and stakeholders and constant dialogues are important.

Mr. R. Chandrasekharan, President, INTUC, Kerala State and Worker Member (India) of the ILO Governing Body spoke about the challenges that the future of world of work can entail given the rapid labour market changes being witnessed and the importance of trade unions and their role in contributing to overall progress. He spoke about the protectionism prevalent in the Indian economy prior to 1991 and the changes that governed the Indian economy after the introduction of the new economic policy of liberalization, privatization and globalization. He explained the role of workers and their role in the growth or development of any nation and expressed his concerns about the conditions workers live in, despite working hard for the prosperity of the nation. He raised some pertinent issues on the future of work, i.e., what would be the threshold for decent wages if trade unions are struggling for minimum wages; is it possible to ensure decent work when even minimum wages are not ensured and the need for measures to distribute GDP and benefits of growth to the underprivileged.

Mrs. Sudha Pillai, Chairperson FICCI Taskforce on Labour Reforms, and former Member Secretary, Planning Commission, Government of India, talked about the world of work with a focus on women at the core. Sharing her experiences with women representatives from panchayats, positivity towards legal systems and the strength reservation rights confer on women, she opined that legal amendments in the form of reservation of seats for women have provided women with an opportunity to showcase their caliber and have encouraged them to participate not only in governance process like the panchayati raj systems but also in the corporate sector. She raised concerns about the falling female labour force participation rates despite rapid growth and development, though amidst increasing informalization. She urged on the need to have apt macroeconomic policy frameworks in place which address issues of inequality and ensure that women are considered as productive entities.

Mr. Guy Ryder, Director-General, ILO, focused on a long-term approach towards achieving decent work with emphasis on *“what is happening in the world of work?”* He spoke about India’s strengths and advantages, being the world’s largest democracy, and how a number of countries are looking to India as a policy innovator. He felt that the global future of work depends on the future of work in India and emphasized four major points: governance of the world of work; drivers of change in the global economy; differential demography; and global economic integration. He suggested a number of issues which India might consider as focus areas: improved integration of women in the growth process, formalization of the informal sector and poverty alleviation.

The Q and A session, which followed, brought up issues related to, amongst others, job creation, wages, social protection, gender parity, construction, migration and innovation.

Ms. Tomoko Nishimoto, Assistant Director-General and Regional Director for Asia and the Pacific, ILO, highlighting the transformational changes in the world of work, spoke of the key conclusions of the dialogue acknowledging the world’s largest democracy and the zeal with which India is working to carve out its own destiny for an equitable world of work