

India Inc to create 7 million blue-collar jobs by the end of this fiscal

Synopsis

The demand for blue-collar workers is up 4% from 2019 and 37% from the troughs hit in 2020, shows the Blue Collar jobs report based on data from more than 1,600 companies, shared exclusively with ET.



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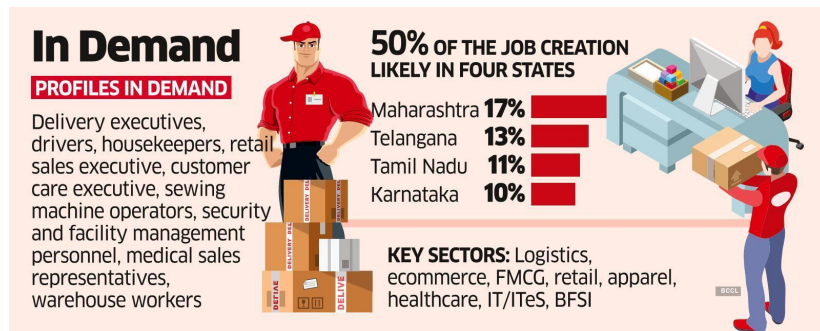
India Inc is likely to create 7 million blue-collar **jobs** by end of this fiscal as easing of restrictions across states, resumption of business activity, increase in consumption, and festive buying are boosting demand for manpower in certain sectors, a survey says.

The demand projection – based on actual hiring requirements of companies – includes a combination of new job creation and reinstatement of lost jobs across sectors such as logistics, ecommerce, fast-moving consumer goods (FMCG), retail, apparel, healthcare, information technology and IT-enabled services, and banking, financial services and insurance (BFSI)

Demand for blue-collar workers has surpassed pre-Covid times for the first time in 15 months as demand recovery and a pickup in economic activity after

the vaccine rollout is prompting companies in several sectors to strengthen manpower, according to a pan-India survey by **Betterplace**, a leading human capital management platform for blue-collar workforce.

The demand for blue-collar workers is up 4% from 2019 and 37% from the troughs hit in 2020, shows the Blue Collar jobs report based on data from more than 1,600 companies, shared exclusively with ET.



“As the economy emerges from restrictions and businesses are resuming activity, there is a heightened demand for blue-collar workers,” said Pravin Agarwala, cofounder and CEO of Betterplace.

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across sectors such as logistics, ecommerce, fast-moving consumer goods (FMCG), retail, apparel, healthcare, information technology and IT-enabled services, and banking, financial services and insurance (BFSI).

The data excludes the construction sector and a major portion of the manufacturing industry.

“Companies are far better prepared after the second wave (of Covid-19) than they were in the first and the economy is mostly back on track,” Agarwala said. “The feeling is that even if there is a third wave, most companies are confident of dealing with the situation better. This, coupled with an uptick in consumer demand and countrywide vaccine rollout, is emboldening employers to ramp up hiring.”

Maharashtra, Telangana, Tamil Nadu and Karnataka are expected to account for 50% of the job creation. Maharashtra, led by Mumbai, tops the list with a share of 17% of the total demand.

The roles in demand include delivery executives, drivers, housekeepers, retail sales executives, customer care executives, sewing machine operators, security and facility management personnel, medical sales representatives and warehouse workers.

“The areas people were holding back investments will see investments coming in over the next couple of months,” said Santrupt Misra, group director at Carbon Black, and director, group human resources, at Aditya Birla Group.

“Also, the range of policy schemes from the government to kickstart the economy will lead to creation of more jobs,” he said. “Our primary focus will be on hiring in businesses that are growing while at the same time emphasising on upskilling and enhancing productivity.”

Tyre maker Ceat, a part of the RPG Group, is ramping up manpower at the shop floor to drive its expansion plans. “We are mostly hiring associates in Chennai and Nagpur. This is largely linked with expansion. We may hire around 200-300 associates over the next 3-4 months,” said Milind Apte, chief HR officer at Ceat.

Economists and job market experts said the government’s efforts to rev up economic activity and growth in demand will lead to the need for more manpower, though the pace of vaccination remains a crucial factor to sustain the momentum.

“The blue-collar job market is definitely looking much better. Even if incremental growth in jobs or new job creation is limited, the very fact that businesses are reinstating lost jobs is a sign of resurgence,” said Madan Sabnavis, chief economist at Care Ratings.

“Fast-growing sectors such as ecommerce, logistics and technology will account mostly for the new job creation while other services sectors are regaining the jobs lost alongside a pick-up in demand,” he said.

Data also shows a rising shift in employment patterns as gig workforce by the end of the fiscal year is expected to increase to 175% of 2020. Gig economy is expected to serve up to 90 million jobs in the long-term.

(Originally published on Aug 25, 2021)