

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT
LOKSABHA
UNSTARRED QUESTION NO. 3805
TO BE ANSWERED ON 19TH MARCH, 2018**

AUTOMATION IMPACT ON JOBS

3805. SHRI MALLIKARJUN KHARGE:

Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

- (a) whether it is true that a high number of jobs are in danger due to increased automation;**
- (b) if so, the details thereof;**
- (c) the major sectors that have been/ likely to be effected by automation;**
- (d) the number of layoff that have happened since 2014 due to automation in the country; and**
- (e) whether the Government has formulated any plans to manage the workforce that may lose its jobs due to automation and if so, the details thereof?**

ANSWER

**MINISTER OF STATE (IC) FOR LABOUR AND EMPLOYMENT
(SHRI SANTOSH KUMAR GANGWAR)**

(a) to (e): According to National Association of Software and Services Companies (NASSCOM), the half yearly financial reports of major IT companies indicate a decline in employment. The drop in the recruitment by the IT industry this fiscal year is due to several factors which inter-alia include:

- **Some of the less complex, standard and repetitive jobs are being automated ;**
- **Companies are improving their employee-utilisation levels and reducing bench strength ; and**
- **Companies are employing people with specialised skillsets in newer areas such as data science, machine learning, artificial intelligence and internet-of-things. The growth rate in these technologies and the nature of the business do not necessitate large-scale hiring.**

As per NASSCOM, the Indian IT-BPM industry is expected to continue to be a net hirer and currently employs nearly 3.9 million people in this fiscal, an addition of 173,000 over last year.

According to NASSCOM the IT-BPM industry, both globally and in India, is witnessing unprecedented changes in technology. Current trend observed is the automation of entire sets of activities that are simple, standardised and rule-based. As a result, few job roles are expected to become redundant over the medium- to long-term. Driven by the impact of disruptive technologies – social, cloud, mobile, analytics, AI etc, the IT-BPM industry in India is fundamentally transforming its business model and building new offerings to emerge as the digital solutions partner. This structural change in the sector requires re-skilling, domain knowledge and enhanced technology competencies. However, these changes also mean that new sets of skills are needed and as such, these are throwing up opportunities for newer job roles.

The stakeholders covering industry, academia and Sector Skills Councils are working to ensure that the existing workforce is re-skilled/up-skilled in emerging technologies and job roles. Most companies (large, medium & small) are also implementing rigorous training programs to re-skill/up-skill their existing employees in new and emerging technologies.