

4. Strengthening India's Care Economy - Economy

Why in News

1. Economic Advisory Council to Prime Minister (EAC-PM) working paper laid roadmap to strengthen India's "care economy"
2. Sector includes childcare, eldercare, disability support
3. ILO projects 475 million global jobs by 2030 in care services
4. India - 2% GDP investment could generate 11 million jobs (70% for women)
5. Rising demand due to demographic transition, urbanization, female workforce participation
6. Critical for human development, labour productivity, social welfare

2. What is the Care Economy?

Definition

1. All paid and unpaid activities related to care of -
 1. Children (childcare, early education)
 2. Elderly persons (eldercare, long-term care)
 3. Persons with disabilities (support services, rehabilitation)
 4. Sick or dependent family members

Significance

1. Critical pillar of human development
2. Enables labour force participation (especially women)
3. Supports productivity and economic growth
4. Essential social welfare system component
5. Foundational for sustainable development

Future Projections

1. ILO evidence - Increasing care sector investments can generate 475 million jobs globally by 2030
2. India-specific - Direct public investment of 2% of GDP potentially generates -
 1. 11 million jobs total
 2. Nearly 70% (7.7 million) for women
3. Massive employment generation potential
4. Gender-transformative employment opportunity

3. Why is Demand for Care Services Rising?

Demographic Transition

1. India's ageing population increasing rapidly
2. Elderly population (60+ years) projected to reach 319 million by 2050
3. Longer life expectancy creating demand for long-term eldercare
4. Age-related health conditions, chronic diseases
5. Traditional family caregiving models insufficient
6. Need for professional eldercare services, nursing homes, home care

Urbanization and Migration

1. Rapid urbanization disrupting traditional family structures
2. Joint family systems weakening in urban areas
3. Nuclear families predominant in cities
4. Migration for employment separates families
5. Lack of informal support networks for caregiving
6. Elderly left in villages, children in cities
7. Increased need for organized care services

Rising Female Workforce Participation

1. More women entering formal workforce
2. Women's labour force participation rate increasing (though still low ~25%)

3. Dual-earner households becoming common
4. Women traditionally primary caregivers facing work-care conflict
5. Need for organized childcare services enabling women's employment
6. Eldercare responsibilities also hindering women's careers
7. Quality affordable care services prerequisite for gender equality

Additional Factors

1. Disability inclusion movement requiring support services
2. Nuclear families lacking bandwidth for care responsibilities
3. Changing aspirations and lifestyle patterns
4. Professional care services quality expectations
5. Awareness of early childhood development importance

4. Government Initiatives Related to Care Economy

Rastriya Vayo Shri Yojana

1. Provides physical aids and assisted-living devices for senior citizens
2. Target - Elderly with age-related disabilities from BPL families
3. Free distribution of assistive devices (walking sticks, wheelchairs, hearing aids, etc.)
4. Improves quality of life and functional independence
5. Implemented through Artificial Limbs Manufacturing Corporation (ALIMCO)

Mission Shakti

1. Umbrella programme for women empowerment and safety
2. Includes childcare and social protection services
3. Economic empowerment of women
4. Convergence of multiple women-centric schemes
5. Addresses gender-based violence, safety concerns

Integrated Child Development Services (ICDS)

Launched - 1975 (one of oldest childcare programs)

Platform - Anganwadi centres (1.4 million+ nationwide)

Target groups -

1. Children 0-6 years
2. Pregnant women
3. Lactating mothers

Services provided -

4. Supplementary nutrition
5. Immunization
6. Health check-ups
7. Preschool education (non-formal)
8. Nutrition and health education
9. Referral services

World's largest early childhood care program

Critical for malnutrition reduction and early development

POSHAN Abhiyaan (National Nutrition Mission)

1. Launched - 2018 (now POSHAN 2.0)
2. Focus - Reducing stunting, undernutrition, anaemia in women and children
3. Strategies -
 1. Behavioural change communication
 2. Technology use (POSHAN Tracker app for real-time monitoring)
 3. Convergence of health, nutrition, WASH services
 4. Community mobilization

4. Targets malnutrition in 0-6 years critical development window
5. Jan Andolan (people's movement) approach

Palna Scheme (National Crèche Scheme)

1. Day-care facilities for children aged 6 months to 6 years
2. Enables mothers to participate in workforce
3. Services –
 1. Nutrition (meals, snacks)
 2. Healthcare (basic medical attention)
 3. Early learning support (play-based activities)
 4. Safe, hygienic environment
4. Operates under Mission Shakti
5. Centre-State funding support (60 -40 ratio; 90 -10 for NE states)
6. Targets working mothers from low-income families

Other Relevant Initiatives

National Programme for Health Care of Elderly (NPHCE) – Healthcare services for elderly at primary, secondary, tertiary levels

Accessible India Campaign (Samaya Bharat Abhiyan) – Universal accessibility for persons with disabilities

Maternity Benefit Programme (Pradhan Mantri Matru Vandana Yojana) – Cash incentives for pregnant and lactating women

Rights of Persons with Disabilities Act, 2016 – Legal framework for disability support

5. Challenges in Implementing Care Economy Reforms

Fiscal Constraints

1. Expanding care infrastructure requires substantial public investment
2. Long-term financial commitment needed
3. Competing priorities in limited budgets
4. States' fiscal capacity varies widely
5. Infrastructure costs (buildings, equipment, maintenance)
6. Recurring operational expenses (salaries, supplies)
7. Sustainability concerns without adequate funding

Social Attitudes Towards Care Work

1. Caregiving viewed as private family responsibility, not public policy concern
2. Deep-rooted patriarchal norms –
 1. Care work seen as "women's work"
 2. Unpaid care work undervalued, invisible
 3. Stigma around seeking external care support
3. Low social status of care workers
4. Reluctance to institutionalize care (especially eldercare)
5. Cultural expectations of family-provided care

Weak Regulatory Capacity

1. Quality standards enforcement challenging across vast geography
2. Monitoring care institutions administratively difficult
3. Inadequate inspection mechanisms
4. Varied quality across public and private providers
5. Accreditation and certification systems underdeveloped
6. Accountability gaps in service delivery
7. Grievance redressal mechanisms weak

Lack of Skilled Care Workforce

1. Shortage of professionally trained caregivers across all segments -
 1. Eldercare (geriatric care specialists, trained nurses)
 2. Disability support (special educators, therapists)
 3. Early childhood care (trained childcare workers, preschool teachers)
2. Limited formal training infrastructure
3. Care work not recognized as professional career
4. Low wages deterring skilled workers
5. High attrition rates
6. Inadequate continuous professional development

Additional Challenges

1. Urban-rural disparities in care service availability
2. Affordability constraints for middle-income families
3. Fragmented implementation across departments
4. Lack of integration between health, education, social welfare sectors
5. Data gaps on care needs and service coverage
6. Private sector participation limited
7. Insurance and financing mechanisms underdeveloped

6. Way Forward

Recognize Care as Essential Social Infrastructure

1. Policymakers must treat care services as core economic and social infrastructure
2. Similar status to education and healthcare
3. Include in national development planning
4. Infrastructure status enabling priority funding
5. Recognition in economic growth strategies
6. GDP calculations including unpaid care work value

Increase Investment in Care Services

1. Substantially increase public investment in -
 1. Childcare centers (expand beyond Anganwadi's to formal crèches)
 2. Eldercare facilities (day-care centers, nursing homes, home-care services)
 3. Rehabilitation centers (persons with disabilities)
 4. Community support systems (local care networks)
2. Target - 2% of GDP for care economy
3. Public-private partnerships for infrastructure
4. Tax incentives for care service providers

Policy Integration and Alignment

1. Align care policies with -
 1. Labour reforms (maternity/paternity leave, flexible work)
 2. Gender budgeting (allocate resources with gender lens)
 3. Women's empowerment programmes (Mission Shakti, Beti Bachao Beti Padhao)
2. Integrated approach across ministries
3. Care economy in employment generation strategies
4. Social security integration

Improve Data Collection and Measurement

1. Strengthen time-use surveys -
 1. Estimate economic contribution of unpaid care work
 2. Understand care work burden distribution
 3. Identify gaps in formal care services

2. Regular National Sample Surveys on care
3. State-level care needs assessments
4. Statistical frameworks for care economy valuation
5. Satellite accounts for unpaid work in national accounts

Develop Skilled Care Workforce

1. Formal training and certification programs
2. Vocational training institutes for care workers
3. Skill India integration (care sector skill councils)
4. Attractive career pathways and wages
5. Continuous professional development
6. Dignify care work as profession

Strengthen Regulatory Frameworks

1. Uniform quality standards for care services
2. Accreditation and licensing systems
3. Regular inspections and monitoring
4. Grievance redressal mechanisms
5. Public disclosure of quality ratings
6. Professional councils for care workers

Promote Public Awareness

1. Campaigns recognizing value of care work
2. Challenge gender stereotypes in care provision
3. Promote shared domestic responsibilities
4. Normalize professional care services
5. Success stories of care economy jobs

Leverage Technology

1. Digital platforms connecting care seekers with providers
2. Telemedicine for elderly and disabled
3. Mobile apps for home-care coordination
4. Data analytics for service planning
5. Online training modules for caregivers

7. Conclusion

Strengthening India's care economy critical for inclusive growth and gender equality. EAC-PM roadmap emphasizes recognizing care as essential social infrastructure. Increasing investment to 2% GDP generating 11 million jobs (70% women), developing skilled workforce, strengthening regulatory capacity, improving data collection, and integrating care policies with labour reforms and gender budgeting essential for realizing care economy's transformative potential for human development and economic productivity.

Source - <https://smefutures.com/eac-pm-paper-charts-roadmap-to-build-and-formalise-indias-care-economy/>