

4. Marginal Hike for Agriculture- Economy

Farmer organisations across the political spectrum criticised the Union Budget 2026–27 High-Level Standing Committee on Employment & AI- Terms of Reference (As per Budget Documents)

Identification of High-Potential Services Sub-Sectors

The Committee is tasked with identifying services sub-sectors that demonstrate-

1. High growth potential
2. Strong employment elasticity
3. Export competitiveness

Focus areas include-

1. IT-enabled services beyond traditional outsourcing
2. Digital platforms, logistics, healthcare services, ed-tech, fintech, and creative industries

Emphasis on sectors that can absorb large numbers of semi-skilled and skilled workers, especially youth.

Assessment of AI and Emerging Technologies on Employment

Evaluate the impact of Artificial Intelligence and automation on-

1. Job displacement
2. Job transformation
3. New skill requirements

Examine-

1. Sector-wise vulnerability to automation
2. Differential impact on informal vs formal employment
3. Identify occupations where human-AI complementarity can be maximised.

Embedding AI in Education and Teacher Training- Propose AI integration in school curricula from the foundational stage onwards.

Recommend measures for-

1. Introducing computational thinking, data literacy, and ethical AI concepts
2. Project-based and experiential AI learning

Upgrade State Councils of Educational Research and Training (SCERTs) to-

1. Act as nodal institutions for AI-enabled teacher training
2. Equip teachers with both technical and pedagogical AI competencies

Formalising and Future-Proofing Informal Workflows

Develop mechanisms to make informal work visible and verifiable, including-

1. Digital credentialing
2. Skill certification
3. Platform-based work records

Enhance upward mobility prospects for informal workers by-

1. Linking skills with formal labour markets
2. Enabling access to credit, social security, and career progression

Attracting Skilled Diaspora and Foreign Talent

Recommend policies to-

1. Attract Indian diaspora professionals in AI, deep-tech, and R&D
2. Facilitate entry of global talent into India's innovation ecosystem

Address-

1. Visa and regulatory hurdles
2. Recognition of foreign qualifications
3. Incentives for knowledge transfer and mentorship

Rationale for Constituting the Committee

Job Losses Due to Automation

Rising adoption of AI has intensified concerns regarding-

1. Workforce downsizing
2. Automation-led redundancies across sectors

Enterprises are increasingly adopting-

1. AI-driven process optimisation
2. Labour-substituting technologies to cut costs

Need for Comprehensive Sectoral Mapping

The Economic Survey 2025–26 highlighted the absence of- Granular job mapping beyond white-collar employment. Many high-skill, non-traditional roles remain understaffed, particularly in- Services, logistics, healthcare, green technologies. These represent underexplored employment reservoirs.

Mitigating the Risks of AI on Employment

Proactive policy reforms can-

1. Cushion transitional job losses
2. Enable workforce adaptation
3. Promote inclusive growth in the AI era

Impact of AI on Jobs in India

High Vulnerability of Routine and Repetitive Jobs

AI and automation disproportionately affect roles involving- Rule-based, predictable tasks

Vulnerable sectors include-

1. BPO and customer service
2. Clerical and data-entry roles
3. Assembly-line manufacturing
4. Routine logistics and warehousing

Pressure on Traditional Mid-Skill Employment

Mid-skill jobs that once provided stability are shrinking due to-

1. Partial automation
2. Task unbundling by AI systems

This leads to-

1. Job polarisation
2. Hollowing out of the middle of the labour market

IT and Outsourcing Sector Restructuring

AI tools increasingly perform-

1. Coding assistance
2. Software testing
3. IT support and maintenance

This has resulted in-

1. Workforce rationalisation

2. Demand for fewer but more specialised professionals

Emerging Employment Opportunities

Creation of New AI-Era Job Categories

AI and digital technologies are generating roles such as-

1. AI / ML engineers
2. Data scientists and analysts
3. Cloud architects
4. Cybersecurity specialists
5. AI product managers and prompt engineers

These roles-

1. Command higher wages
2. Are globally mobile and export-oriented

Employment Forecasts

Estimates suggest- Around 4.7 million new AI and tech-related jobs could emerge in India by 2027

India is positioned to become- A global hub for AI talent and digital services

Shift in Skill Demand Patterns- About 38% of India's workforce may experience significant skill shifts by 2030 — the highest among BRICS nations.

Employers increasingly value-

1. Practical technology skills
2. Analytical thinking
3. Continuous learning ability

Traditional degrees alone are no longer sufficient indicators of employability.

Way Forward

Upskilling and Reskilling Imperatives

Large-scale reskilling is unavoidable- Over 16 million workers may require reskilling in AI and automation by 2027

Focus areas include-

1. Digital literacy
2. Advanced technical skills
3. Soft skills and adaptability

Government and Industry Collaboration

Public-private partnerships are central to-

1. Curriculum design
2. Trainer capacity building
3. Apprenticeships and internships

Corporate-led skilling initiatives complement government programmes.

Government Initiatives for AI and Workforce Readiness

Future Skills PRIME- Flagship programme of Ministry of Electronics and Information Technology in partnership with NASSCOM.

Focuses on reskilling IT professionals and youth in- AI, big data, cloud computing, cybersecurity, and other emerging technologies.

Skill India Mission

Expanded to incorporate- AI and digital skill components

Encourages-

1. Early exposure to future technologies
2. Alignment of vocational education with employability

National Council for Vocational Education & Training (NCVET)

Developed the National Programme on Artificial Intelligence (NPAI) Skilling Framework.

Provides-

1. National roadmap
2. Curriculum structure
3. Certification standards for AI and data science skills

SOAR – Skilling for AI Readiness

Launched by Ministry of Skill Development and Entrepreneurship.

Targets-

1. School students (Classes 6–12)
2. Teachers and educators

Focuses on-

1. Foundational AI literacy
2. Ethical and responsible AI awareness

Industry Partnerships through Directorate General of Training (DGT)

Collaborations with- IBM India, Microsoft, Cisco, Adobe India, AWS, among others

Implemented largely through- Corporate Social Responsibility (CSR) initiatives

Sector Skill Councils (SSCs)

Industry-led bodies that-

1. Co-develop AI and tech curricula
2. Conduct Training of Trainers (ToT)

Support-

1. Apprenticeships
2. Internships
3. Skill certification aligned with industry needs

Conclusion

AI will undoubtedly disrupt traditional employment structures, but it also opens unprecedented opportunities.

India's success in the future of work will depend on-

1. Forward-looking policy reforms
2. Deep integration of AI in education and skilling
3. Strong government–industry coordination

With timely intervention, India can transform AI from a job threat into a job multiplier, ensuring inclusive and sustainable employment growth.

Source- <https://www.thehindu.com/business/budget/union-budget-2026-agri-ministry-allocation-up-26-farm-outfits-say-fm-ignored-their-demands/article70578805.ece>