



Divyanka Tandon

Demographic Dividend or Burden? Quantifying India's Employment Paradox

A Data-Centric Analysis Drawing on NSSO, CMIE, and World Bank Datasets

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Key Takeaways

- ▶ **India's Labour Force Participation Rate (LFPR)** stands at **58.2% (2023-24)**, which is markedly below the global average. **Female LFPR is an astonishingly low 41.7%**.
- ▶ **The issues of educated unemployment:** The Educated unemployment rate stands at 29.1% compared to 3.4% for illiterates; there exists a pure mismatch of extreme skills.
- ▶ **Youth unemployment (15-24) rate stands at 16%**, which is almost three times the national unemployment rate. Educated youth are disproportionately affected.
- ▶ **90% of Indian's workforce is comprised of informal employment** and covers 50% of GDP, but is 8 times less productive than formal employment
- ▶ **Agriculture employs 42% of workers** but only adds 18% of GDP, and this demonstrates a huge level of structural inefficiency.
- ▶ **By 2030, India will need to create 7.85 million non-farm jobs** every year; job creation is lagging considerably behind the demand for jobs.
- ▶ **Productivity gap:** GDP per working hour \$8 ranks 133rd in the world, and we work very long hours at 46.7 hours/week.
- ▶ **Only 51.25% of graduates are employable**, pointing to fundamental problems that exist between the education system and employment.
- ▶ **Creating 300 million productive jobs by 2040** demands about 18.75 million new jobs every year, while the **formal sector currently generates only 6–8 million**.
- ▶ **India must implement comprehensive reforms** addressing labour market rigidities, education-employment mismatches, manufacturing stagnation, and social security gaps.

Executive Summary

India finds itself at a demographic tipping point. With **65% of its population being below 35 years old** and being the country with the largest population of youth, India has what economists label a “**demographic dividend**” – a narrow opportunity bracket when a country's **working-age population exceeds the dependent population** to drive faster rates of economic growth. However, detailed exploration of the Parliamentary Labour Force Survey (PLFS), CMIE employment data, and World Bank indicators suggests a disturbing pattern; **India's demographic advantage is rapidly evolving into a burden**. The employment landscape exhibits low labour force participation, highly educated unemployment, a huge reliance on informal sector jobs, and **chronic low productivity**.

This analysis uses a standard approach to indicative statistics to show that **without urgent structural changes**, it is going to **waste its demographic dividend**, with the additional risk of social disruption, stagnant economic growth, and a generation of unfulfilled dreams. The data suggests not opportunity but rather an impending demographic disaster, and an urgent policy response is required.

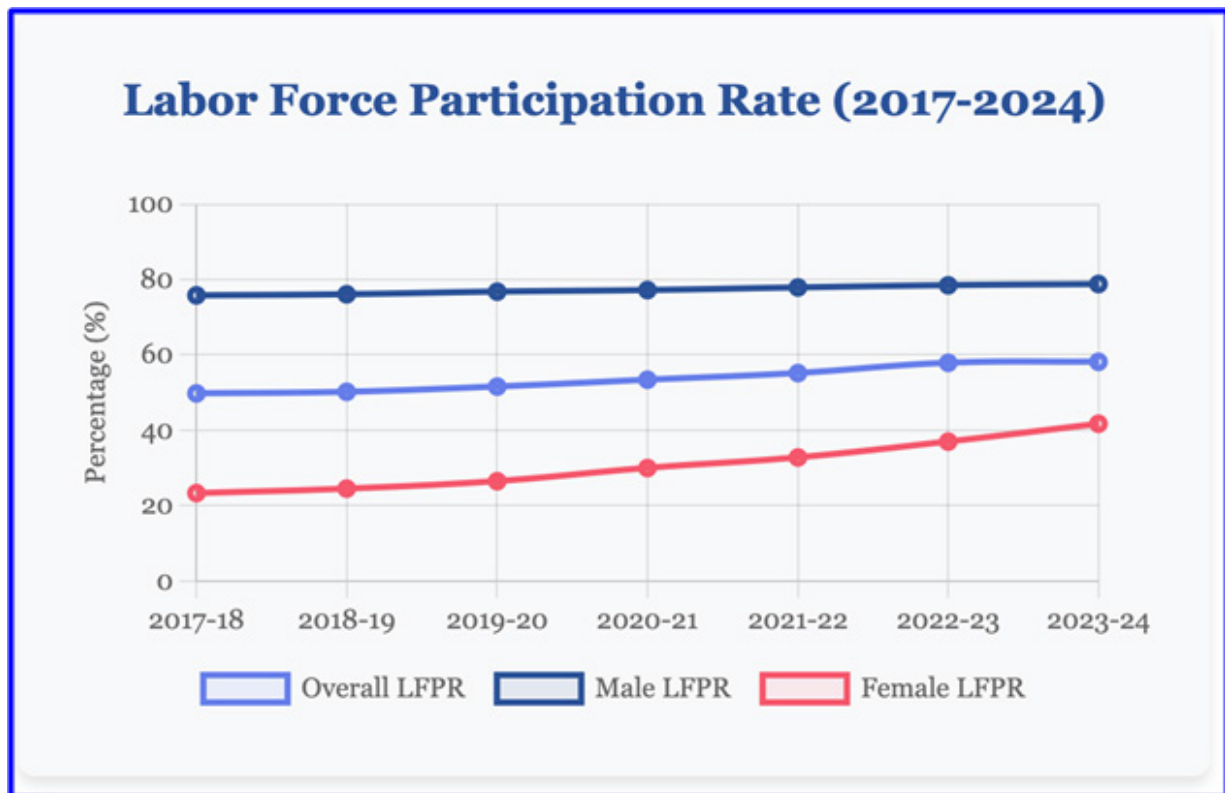
I. The Participation Paradox: Who's Actually Working?

The narrative of India's labour force participation is built around a big problem: a large number of people of working age in India are not even trying to enter the labour market. The data of PLFS 2023-24 reveals that the total LFPR in India (in usual status, including main and subsidiary) is 58.2%, which means more than 40% of the population aged 15 years and older is neither engaged in any work nor trying to find one. It remains a long way from the global averages, despite the fact that this was a slight improvement from 57.9% in 2022-23.

a very good level of 78.8% while the female LFPR is only 41.7%- less than half that of the male rate. The 37.1 percentage point gap is not only a case of social inequality but also a huge economic loss. The number of women in India who are of working age is over 450 million, and not having them in the labour force means that thousands of potential workers are not working and earning money.

Key Data Point

The worldwide average of 47% for female LFPR in India is a big plus since it will bring around 24 million women to the labour pool - about the same as creating a new economy equal to the



The Gender Divide: A Fundamental Weakness

The gender segregation reveals the real extent of the participation crisis in India. The male LFPR is close to

total employment in Malaysia.

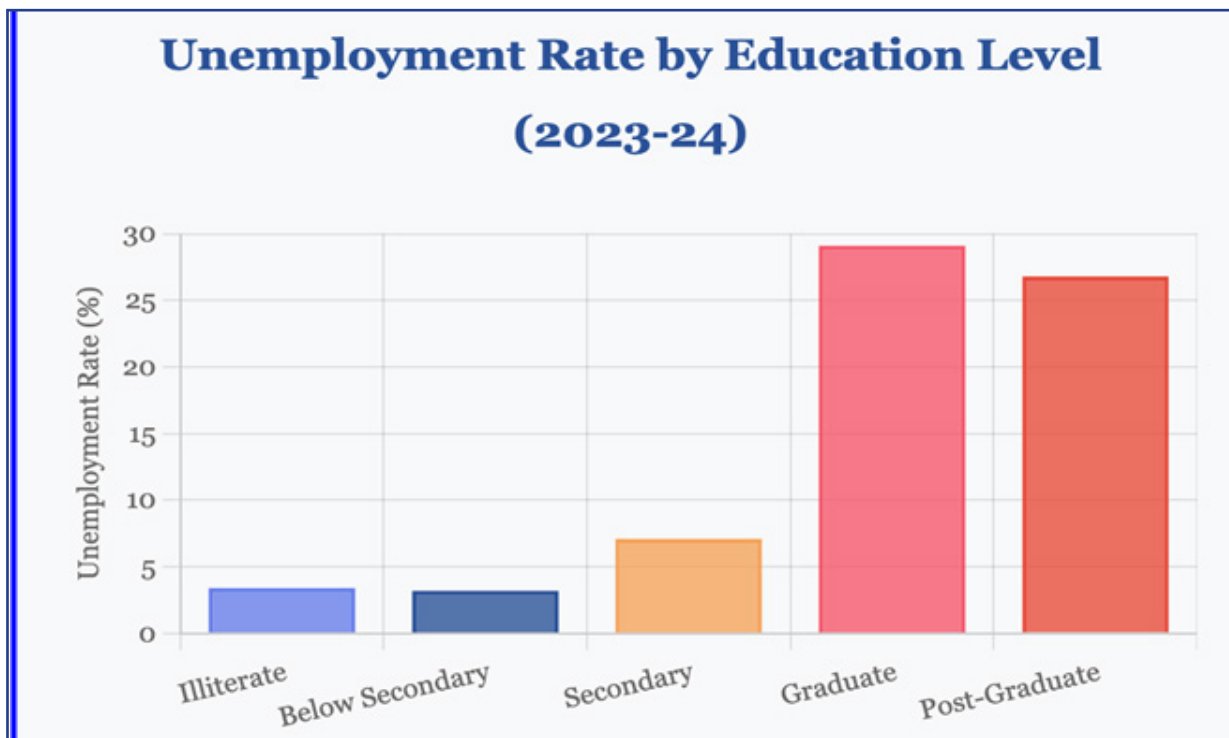
The rural/urban analysis, depending on which measurement, can at times add another aspect to this paradox. The rural LFPR is actually higher

Category	LFPR 2017-18	LFPR 2023-24	Change
Overall	49.8%	58.2%	+8.4 pp
Male	75.8%	78.8%	+3.0 pp
Female	23.3%	41.7%	+18.4 pp
Rural	52.1%	62.6%	+10.5 pp
Urban	47.6%	51.3%	+3.7 pp

than the urban LFPR by more than 11 percentage points (62.6 vs. 51.3). The rural LFPR mainly consists of agricultural employment and, in some cases, even self-employed workers (survivorship). But again, rural participation being higher does not mean that it leads to better outcomes. In fact, it indicates distress here since people are engaged in work out of necessity and not for quality work.

II. The Education-Employment Inversion

Perhaps the most perverse aspect of India's employment paradox is what data reveals about education and employability. Conventional economic theory suggests that higher education should reduce unemployment. In India, the opposite holds with devastating precision.



PLFS 2023-24 data shows that individuals with secondary education and above face an unemployment rate of 7.1%, while those with education below secondary experience only 3.2% unemployment. The inversion becomes more extreme with higher education: among graduates and post-graduates, unemployment rates spike to approximately 29.1% according to the ILO's India Employment Report 2024 – nearly nine times higher than among illiterates (3.4%).

The Paradox in Numbers

An engineering graduate in rural Maharashtra earns ₹12,000 per month supervising construction – the same wage as an illiterate farm labourer. Four years of engineering education have produced zero economic premium, while the graduate bears ₹4-6 lakh in education debt.

Youth Unemployment: The Ticking Time Bomb

Unemployment rates for youth reported by CMIE are shocking and worse. For 20-24-year-olds, the unemployment rate stood at 44.49% in the October-December 2023 quarter. This means nearly all of the youth in this age category who were actively seeking jobs could not find jobs. In the case of 25-29-year-olds, this number was 14.33%. But this is not only a pure and simple number issue. It reflects about 40 million young Indians—a large fraction of whom are educated—who are not getting job offers that match their levels of skill, or perhaps not getting job offers at all.

The ILO report indicates that youth

unemployment is higher than the global average, and the situation is worse for educated youth. The joblessness of educated urban youths holding graduate degrees was found to be above 17%, while rural graduate youth have an even graver situation. Among such disparities, gender becomes a particularly alarming problem: young women with higher education have unemployment rates about 50% higher than their male counterparts, and a large number of these young women fall into the NEET category - Not in Employment, Education, or Training.

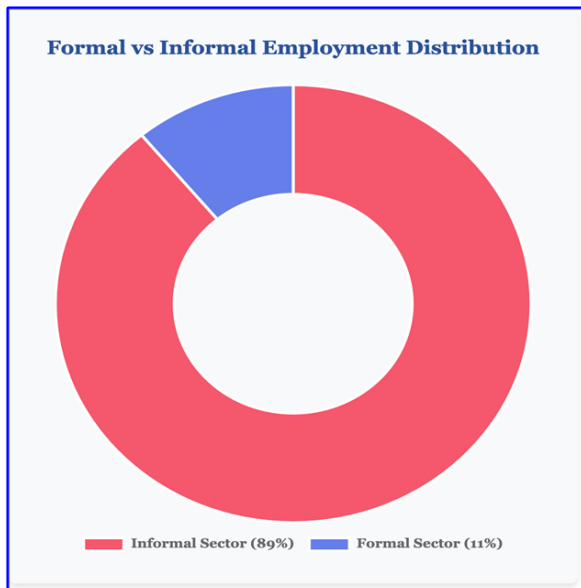
NEET Crisis

One in three young Indians falls under the NEET category as of 2022. Women in NEET are almost five times more than their male counterparts, representing a catastrophic waste of human capital.

III. The Informal Sector Trap

The third dimension of India's employment paradox lies in the quality of available work. While headline statistics may suggest employment gains, disaggregated data reveal a disturbing concentration in low-productivity

According to the Economic Survey 2021-22 data and analysis of PLFS, 90% of Indian workers were found to be in the informal sector. Of the 53.53 crore labourers in 2019-20, only 5.89 crore, or 11%, were employed in the formal sector and had social security coverage. The remaining, constituting around 47.64 crore, which is 89% of the total workforce, were classified



as informal workers-either working in unorganised businesses or as informal workers in organised businesses.

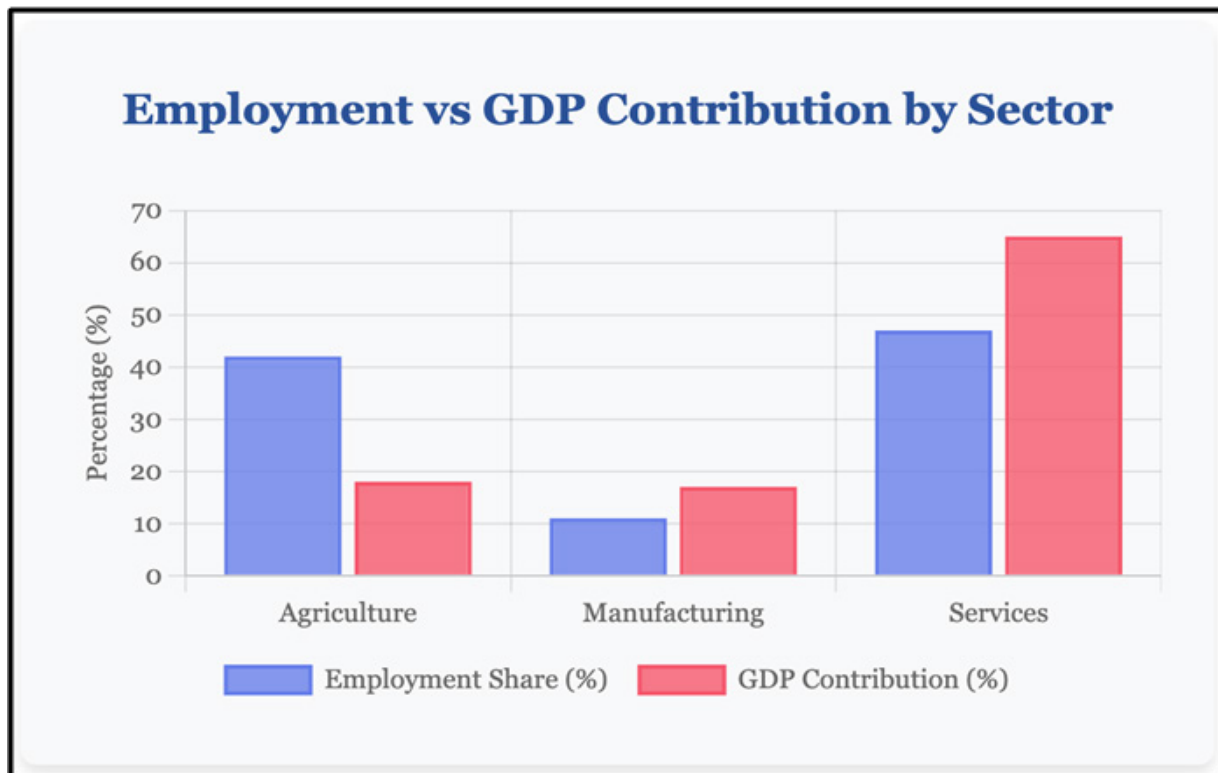
The Productivity Catastrophe

The productivity differential between formal and informal sectors exposes the economic cost of this informality trap. Formal industrial employees contribute approximately ₹12 lakh in Gross Value Added (GVA) per worker

annually. In stark contrast, informal sector workers generate only ₹1.5 lakh per worker – an eight-fold productivity gap. When 90% of your workforce operates at such low productivity levels, it creates a fundamental ceiling on economic growth regardless of headline GDP figures.

The Annual Survey of Unincorporated Sector Enterprises (ASUSE) 2022-23 gives additional information. It shows that the informal employment is still lower than its pre-COVID-19 levels, with 109.6 million and 111.3 million workers in 2022-23 and 2015-16, respectively. Even more importantly, during the period 2016-21, 2.4 million informal enterprises were closed, and 8.1 million informal manufacturing jobs were lost. The labour force of the sector, which accounts for 90% of the Indian population, is declining and not all the good jobs are available for the new labour market entrants.

Sector	Employment Share	GDP Contribution	GVA per Worker
Formal Sector	11%	~50%	₹12 lakh
Informal Sector	89%	~50%	₹1.5 lakh
Agriculture	42%	18%	₹0.64 lakh



IV. The Agricultural Anchor

Agriculture remains India’s employment anchor and albatross simultaneously. PLFS data shows that 42% of India’s workforce remains employed in agriculture, yet the sector contributes merely 18% to GDP. This massive structural imbalance creates a productivity trap that perpetuates rural poverty and underemployment.

The evidence shows that agricultural employment grew from 42.5% in 2018-19, to 45.5% during the COVID-19 pandemic, to 42% in 2023-24. This “reverse migration” to agriculture during crisis periods illustrates that it is an employer of last resort and not an engine of hope. CMIE data tracking rural women’s employment shows that the proportion engaged in farming rose from 20.6% in early 2019 to 26.5% by late 2024, reflecting distress-driven employment rather than productive job creation.

The Manufacturing Mirage

Manufacturing, previously perceived as the answer to India’s employment problem, has a disappointing record. Not only has it failed to recover its employment share since the pandemic - from 12.6% in 2011-12 to 11.4% in 2023 - it actually dropped below pre-pandemic levels. Citigroup’s analysis suggests there are fewer people employed in the formal sector than prior to COVID-19, with the share of formal sector employment being almost the lowest it has been in 18 years, at 25.7% in 2023.

While there has been an uptick in services sector employment, the drivers of growth have been in low-productivity activities (trade, construction) instead of high-value services. Thus, the outcome has been an economy where much of the employment growth has occurred in activities of survivalists - notably in

small trade and personal services and unproductive agriculture - rather than productive sectors capable of generating sustainable productivity increases.

V. The Productivity Deficit

India's labour productivity crisis represents perhaps the most fundamental threat to converting demographic advantage into economic growth. Despite working among the longest hours globally (46.7 hours per week on average, with over 51% of employees working 49+ hours), Indian workers produce far less per hour than their global counterparts.

Global Productivity Comparison

- India's GDP per worker hour is \$8 (on a PPP basis)
- Position in the world: 133
- For comparison: China: \$18/hour; Vietnam: \$12/hour; Bangladesh: \$6/hour

According to CEIC, labour productivity growth rates for India fluctuated between 0.74% (2000) and 9.15% (2016), before declining to 2.53% in 2022. This data is important, but even more concerning is the lopsided growth of productivity. While the very best-in-class firms within the services sector and tech sector may be able to approach the global productivity frontier, most firms still lag significantly in productivity performance.

An IMF 2024 assessment of India's structural transformation process characterised it as "stunted". While GDP growth has exceeded 6% growth

since the year 2000, much of this growth has been the reallocation of workers from goods and services to low-productivity labour in agriculture, construction, and trade. The IMF study also presents the estimate that even more modest levels of reallocating workers in such activities may benefit GDP by 0.2 to 0.5 percentage points, identified as sustainable GDP growth expected relative to the productivity of workers engaged in these activities.

The Innovation Dimension of Productivity

A crucial yet often overlooked driver of productivity is India's innovation deficit. The nation's low R&D intensity—barely 0.64% of GDP compared to China's 2.4%—directly limits the scope for productivity gains across sectors. Formal firms that invest in technology and process innovation tend to generate higher value added and better jobs, but India's ecosystem of small, informal enterprises lacks this capacity. Integrating innovation incentives—such as tax credits for R&D, industry-academia collaborations, and technology diffusion to MSMEs—could yield long-run productivity multipliers. Embedding innovation within manufacturing, agri-tech, and services clusters is thus not a luxury but a structural necessity to escape the low-productivity trap.

The Skills-Jobs Mismatch

The productivity gap comes directly from a core skills-job mismatch, with the 2023-24 Economic Survey suggesting that only 51.25% of all Indian graduates are considered



“employable”, essentially meaning nearly half of degree-holding graduates do not possess relevant skills deemed by employers.

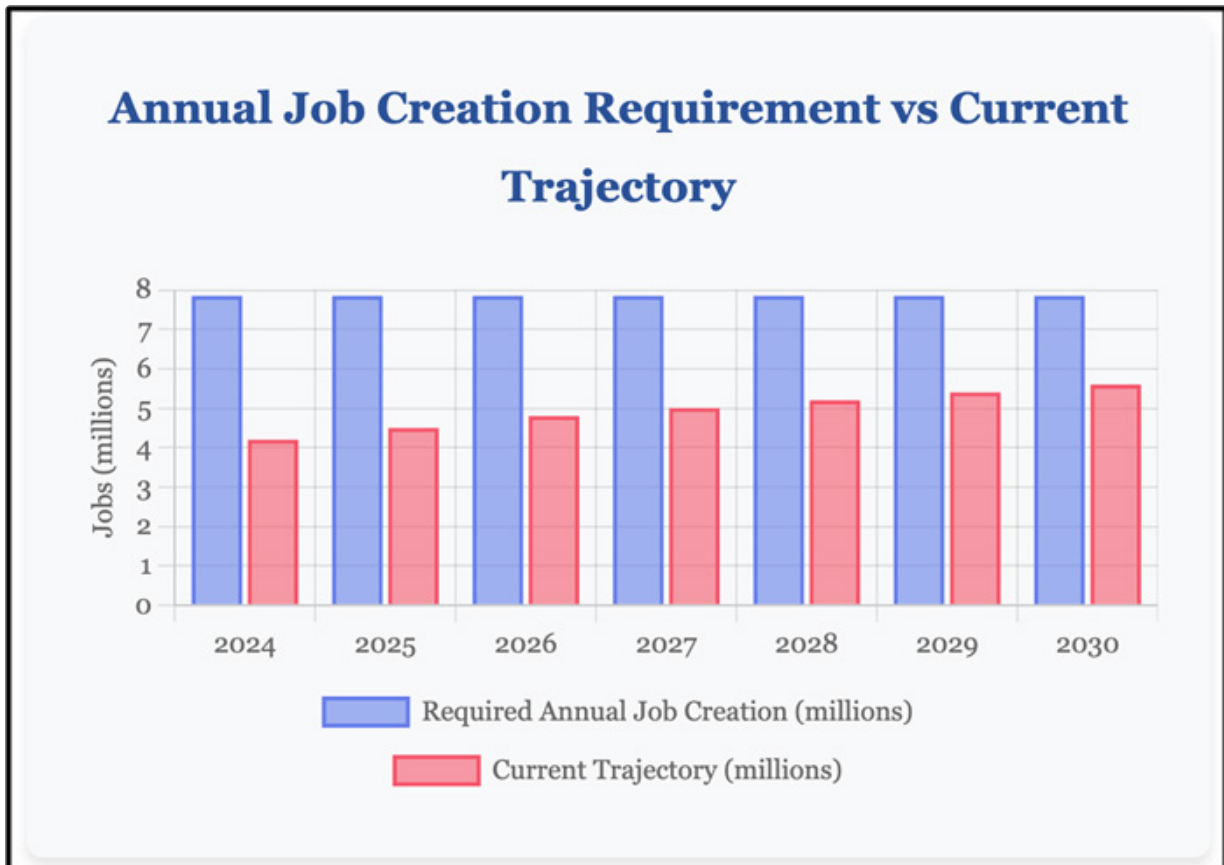
The mismatch occurs on several dimensions:

- **Sectoral mismatch:** Students are ostensibly trained for the existing sector, IT, while the jobs are being created in manufacturing, requiring different skills.
- **Technologically outdated:** Curricula lag in adopting newer technologies, developing skills for graduates that are declining due to or rendered obsolete in comparison to AI/automation being adopted at a quicker pace than education systems are evolving to adapt to.
- **Quality:** Though there are some higher educational institutions nearing the top, most are focused

on credential provision rather than competency development.

- **Regional mismatch:** Rural areas produce graduates but are unable to provide formal employment opportunities, while urban areas are more intent on skills but provide fewer formal opportunities in skilled labour buckets.

With the data released by Foundit (formerly Monster India), it was reported that the IT sector reported declines from hiring almost 20% in 2023 from hiring in 2022, but still retained students for engineering schools who were concentrated primarily for placement in the IT sector. Additionally, the data also showed growth in job postings in manufacturing of less than 5% in early 2024. However, many jobs stayed unfilled due to skills and level of interest in comparing manufacturing jobs to those in IT.



VI. The Job Creation Imperative

Demographic projections create an urgent arithmetic for India. The Economic Survey 2024 suggests India must create an average of 7.85 million non-farm jobs each year until 2030 solely to absorb the increase in the labour force. Even more ambitiously, the IMF estimates India needs to create 324 million jobs by 2050, not even accounting for current underemployment.

Current job creation is far from sufficient to meet this need. EPFO (Employees' Provident Fund Organisation) payroll data - which only tracks formal sector job growth - reported net formal sector job addition of 6-8 million in a year, which again was not net job creation, but gross formal sector addition for a small part

of the economy. Most new entrants into the labour force are informally employed or are unemployed.

The Quality Question

Beyond quantity, job quality has deteriorated significantly. PLFS data shows self-employment increasing from 52.2% in 2017-18 to 58.4% in 2023-24, while regular wage employment declined from 22.8% to 21.7%. As former Chief Statistician Pronab Sen notes, this increase in self-employment largely represents survivalist activities rather than entrepreneurial dynamism – people working to survive in the absence of quality jobs.

The proportion of “own-account workers” – those working mostly alone without employing others – has increased particularly among women.

This category typically involves low-productivity, low-earning work. CMIE data indicate that rural women's involvement in farming increased from 20.6% to 26.5% between 2019 and 2024, but this wasn't accompanied by higher earnings, increased asset ownership, or moves into higher-value agricultural activities.

Wage Stagnation Alert

Despite GDP growth averaging 6-7% annually, real wages for informal workers rose minimally – from ₹1.06 lakh to ₹1.11 lakh average annual earnings (2021-22 to 2022-23), barely keeping pace with inflation and representing less than ₹10,000 per month.

VII. Structural Impediments

Several structural factors restrain India's conversion of demographic potential into productivity gains:

Labour Market Rigidity

Despite proposed labour code reforms, implementation remains delayed. Complex compliance requirements, especially for small enterprises, act to discourage formalisation. Transition from informal to formal sector remains hard, with regulatory burden often cited as a major constraint in surveys of informal enterprises.

Credit Access Constraints

Informal enterprises and workers do not have access to formal credit. According to the World Bank enterprise surveys, more than 60% of informal enterprises report access to finance as a major constraint. Deprived of

capital for productivity-enhancing investment, these enterprises remain in a low-productivity equilibrium.

Infrastructure Deficits

Government investment in infrastructure has increased to 3.3% of GDP from 1.6% between 2018-19 and 2023-24, but critical gaps persist. Rural-urban connectivity, sustained power supply, and digital infrastructure – a determinant of productivity levels – remain underdeveloped in large parts of the country.

Education System Failures

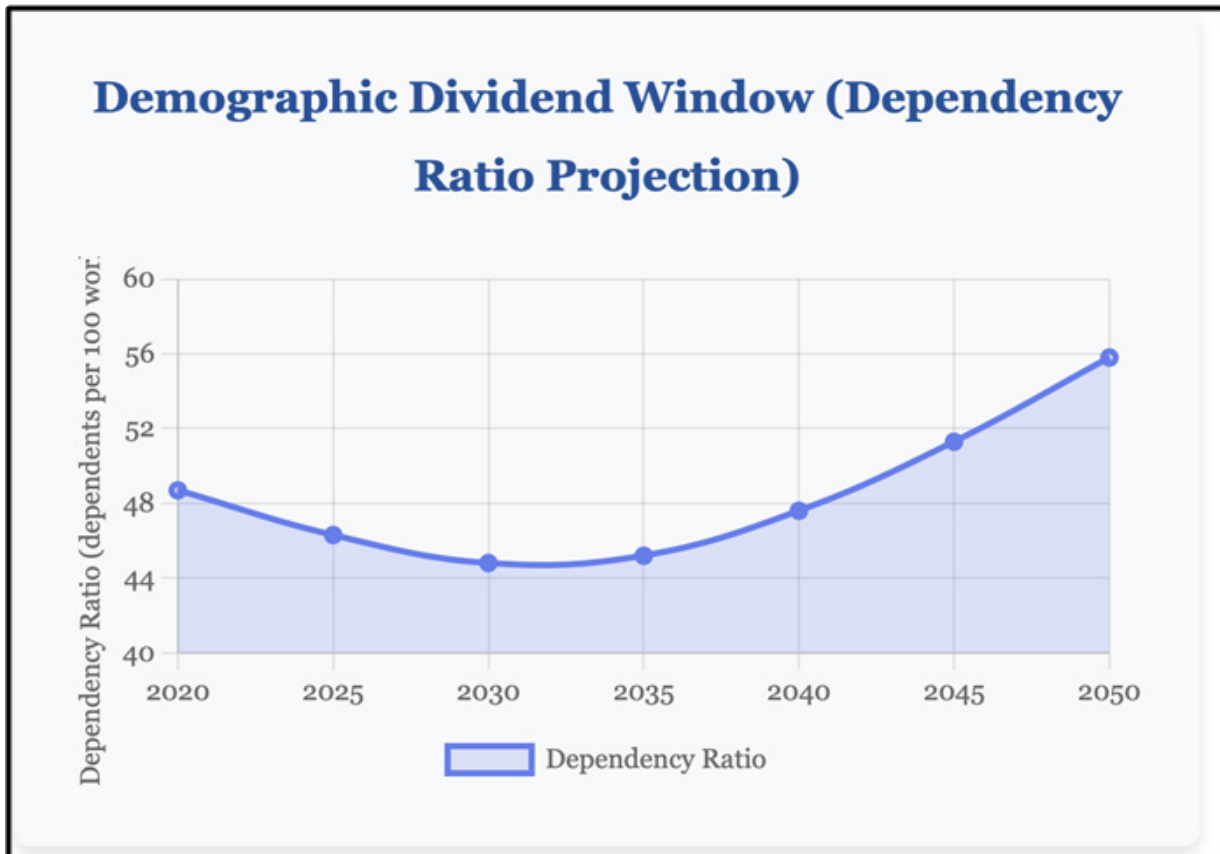
The 51.25% employability figure for graduates reflects systemic failures in higher education. Curriculum doesn't align with the market needs; pedagogy emphasises rote learning over skill development, and the quality varies enormously across institutions. The result: credentials that don't translate to competencies.

Social Security Gaps

India's social security architecture continues to be grossly insufficient to facilitate labour mobility. The e-Shram portal has registered 276.9 million informal workers as of 2024, but actual benefit delivery remains limited. Without portable social security, workers hesitate to migrate from rural to urban areas or switch sectors, impeding optimal labour allocation.

VIII. Demographic Dividend or Disaster?

The cumulative weight of evidence suggests India's demographic



dividend is rapidly approaching an expiration date. The mathematical reality is stark: with approximately 12-15 million young people entering the labour force annually, current job creation patterns fall short by 4-7 million quality jobs each year. This deficit compounds annually, creating an ever-growing pool of unemployed or underemployed youth.

The demographic window – when the working-age population ratio peaks before ageing begins – extends through approximately 2040. However, realising the dividend requires productive employment for this working-age population. Current trends suggest India is creating low-productivity jobs or no jobs at all, meaning the demographic advantage translates not to accelerated growth but to social pressures.

The Social Stability Dimension

The high rate of unemployment among the youth, especially the educated ones, poses potential social and political risks. History and geography have shown that societies with a large number of unemployed educated youth have been prone to social unrest, political instability, and even, in extreme cases, civil conflicts. For example, the youth in India, which has an 83% approval of government officials in recent surveys, are, in the youth cohort, over 40% unemployed. There is a tension there that will not be sustainable.

Comparative Lessons: East Asia's Success vs India's Trajectory

East Asian economies--most prominently South Korea, Taiwan, and China--successfully transformed their

demographic dividends into sustained economic growth, combining elements India does not have: rapid formalisation of employment, major investments in labour education linked to industry, robust industrial policies generating manufacturing jobs at scale, as well as progressive social safety nets easing labour mobility.

China's experience is especially illustrative. During China's demographic dividend period (1980-2015), China moved roughly 400 million workers from agriculture into services and manufacturing, with manufacturing worker shares peaking above 20% of total employment. In contrast, India's manufacturing employment has stagnated at around 1-12%. While China's labour productivity grew on average 8-10% during this period, India's has been unable to exceed 5%, and recent years have seen a deceleration.

East Asian Benchmark

During their demographic dividend periods, South Korea and Taiwan achieved manufacturing employment shares of 25-30%, with formal sector employment exceeding 70%. India today has 11% in manufacturing and 11% formal employment – a fundamentally different trajectory.

IX. Innovation as a Cross-Cutting Reform

Rather than existing as a standalone issue, innovation and R&D must be integrated throughout India's growth framework—from productivity enhancement and job creation to manufacturing competitiveness and

skilling systems. It is not a separate pillar but the connective tissue that powers structural transformation.

X. Policy Implications and the Path Forward

Reform priorities should be sequenced rather than pursued in parallel to convert India's demographic potential into productive growth effectively.

1. Formalisation of Employment

- Remove formalities, enlarge the social security net, and stimulate formal hiring to elevate productivity and wages.

2. Skilling and Education Reform

- Make curricula match the requirements of the job market, lay stress on vocational and digital skills, and carry out quality control across institutions.

3. Rural Non-Farm Employment Generation-Foster agro-

processing, rural manufacturing, and service sectors to take up the redundant labour from agriculture.

4. Infrastructure and Social Security Expansion

- Eliminate the gaps between regions with respect to connectivity, power supply, and digital access while providing portable welfare for migrating workers.

5. Innovation and R&D Investment

- Direct public and private funds to technology spread, local research, and MSME innovation support.

These steps form a practical reform

hierarchy—addressing structural inefficiencies from the foundation upward, ensuring policy coherence and measurable outcomes. The data comprehensively demonstrates that India’s current trajectory will not convert demographic advantage into economic prosperity. Absent significant policy intervention, India faces a “jobless growth” scenario where GDP expands, but employment quality deteriorates, potentially culminating in social instability and wasted human potential.

Required Interventions: A Data-Driven Framework

- 1. Renaissance in Manufacturing:** Achieving the 7.85 million jobs per year in non-farm employment goal will require manufacturing employment to rise to 18-20% of total employment from today’s level of 11%. To achieve the extent of growth needed will require the elimination of regulatory barriers to expansion, a coherent and strategic trade policy that shields nascent industries while ensuring they can compete with other countries on the export market, massive reskilling efforts that align worker skills with the demands of manufacturing, and investment in infrastructure and logistics that promote trade and reduce costs.
- 2. Formalisation Campaign:** Another target policy goal is to increase formal employment from 11% to 30% of total employment by 2030. Achieving this will require simplifying compliance with the regulatory framework to reduce the burden on small firms, creating incentives that encourage them to hire formally (e.g. tax breaks, access to finance), establishing portable social security as an option to allow formal employment mobility and career progression without losing benefits, and strengthening enforcement against wage theft and exploitative practices in the informal sector.
- 3. Alignment of Education to Employment:** Addressing the employability crisis of 51.25% of graduates requires a redesign of the degree curriculum to focus more on competencies than credentials, partnerships with industry to ensure education is aligned with employers’ needs, mandatory internships that provide practice experience, and quality assurance mechanisms to eradicate diploma mills.
- 4. Agricultural Transformation:** Reducing agricultural employment from 42% to 25% by 2035 (while increasing output) requires farm mechanisation, enabling fewer workers to maintain output, rural industrialisation, creating non-farm employment in rural areas, value chain development in agro-processing, and social safety nets cushioning the transition.
- 5. The female labour force participation:** The increase of the female LFPR from 41.7% to 50% by 2030 will result in

the addition of nearly 37 million workers to the labour market. This will call for the following: taking down the safety barriers that restrict women's mobility, making childcare affordable as a way of relieving the domestic burden, enforcing equal pay as a means of eliminating the gender wage gap, and finally, reducing the sociocultural stigma surrounding women's participation in the economy.

Bridging Macro and Micro Pathways

Macroeconomic reforms—such as fiscal investments in infrastructure,

financial deepening, and trade liberalisation—will only translate into tangible employment gains when they align with micro-level human capital development. Education reform must feed employability; employability must, in turn, encourage firm-level hiring and innovation. For instance, a vocationally skilled graduate can contribute productively only if credit access enables small firms to expand and absorb such talent, and if infrastructure allows those firms to compete efficiently. Thus, the reform agenda must operate as a connected chain—linking fiscal strategy, skilling, firm growth, and individual opportunity—rather than as isolated silos.

Policy Intervention	Current Status	2030 Target	Job Creation Potential
Manufacturing Employment Share	11%	18%	42 million jobs
Formal Employment Share	11%	25%	84 million transitions
Female LFPR	41.7%	50%	37 million additions
Agricultural Employment	42%	28%	84 million transitions
Graduate Employability	51.25%	75%	Quality improvement

XI. The Fiscal and Investment Dimensions

Implementing these changes requires significant amounts of money. According to estimates derived from the World Bank, India requires annual investments of between 8 and 10% of GDP in education, infrastructure and social security if it hopes to capitalise on the demographic dividend – this equates to approximately \$280-350 billion at current GDP levels.

Current government expenditure on education is approximately 4.6% of GDP (2023-24), infrastructure is also 3.3% and social security/welfare is approximately 1.5%, meaning that total expenditure is approximately 9.4%. An equally important consideration is efficiency; a large part of public expenditure fails to translate into outcomes, due to weak implementation, corruption and poor design.

Private Sector Role

Government resources alone cannot be relied upon to solve the employment challenge. The private sector must raise its investment levels from the current rate of roughly thirty per cent of gross domestic product (GDP) to levels between thirty-six and thirty-eight per cent. This requires addressing a number of constraints: reducing the cost of capital through reforms to the financial sector, clarifying regulatory frameworks to reduce uncertainty, protecting private property rights to encourage long-term investment, and finding appropriate incentives for investment in labour-intensive

sectors. Foreign Direct Investment (FDI) has only reached \$71 billion in 2022-2023, largely in services and technology sectors, not in labour-intensive manufacturing sectors. In order to reorganise FDI toward employment-generating sectors, it will require a clearly articulated strategy, not simply an opening of the doors.

XII. Conclusion: A Closing Window

The complete analysis of the data makes for unsettling reading. India's demographic dividend is rapidly morphing into a demographic burden. With youth unemployment rates that are often higher than 40% in some cohorts, 90% informality in employment, and mass educated unemployment, the current trend is producing anger and not wealth.

The opportunity for action is brief. India's dependency ratio peaks at around 2040, and then ageing begins, which is about 15 years to generate formal, productive employment for about 200 million entrants into the labour force, in addition to existing underemployed/unemployed workers, meaning very nearly 300 million in total. At current rates of job creation, India will fall 100 - 150 million quality jobs behind.

The Arithmetic of Urgency

Creating 300 million productive jobs by 2040 requires an average annual job creation of 18.75 million. Current formal sector job creation: 6-8 million. The gap: 10-12 million annually. Each year of delay increases the accumulated deficit.

Historical experience demonstrates that demographic dividends don't materialise automatically – they require specific policies, institutions, and investments. East Asia succeeded through deliberate strategy. Latin America largely failed, resulting in informal economies and persistent inequality. India's current trajectory resembles the latter more than the former.

The choice remains available but narrowing. India can implement comprehensive reforms addressing labour market rigidities, education-employment mismatches, manufacturing stagnation, and social security gaps. Or it can continue incremental adjustments while the

employment crisis deepens. The data suggests that incremental approaches won't suffice – the scale and urgency of the challenge demand transformative action.

India's demographic advantage represents either the foundation for becoming a developed nation by 2047, as officially targeted, or the source of social instability, economic stagnation, and generational disappointment. The datasets from NSSO, CMIE, World Bank, and ILO converge on a singular conclusion: the path to dividend rather than disaster requires immediate, comprehensive, and sustained policy intervention. The window is closing, and history suggests it won't reopen.

Data Sources and Methodology

This analysis synthesizes data from multiple authoritative sources: **Periodic Labour Force Survey (PLFS)** 2023-24 by **NSSO**; Centre for Monitoring Indian Economy (**CMIE**) employment trackers; **World Bank** Development Indicators; **ILO** India Employment Report 2024; Economic Survey 2023-24 and 2024-25; Annual Survey of Unincorporated Sector Enterprises (**ASUSE**); **EPFO** payroll data; and **IMF** structural analysis reports.

Statistical methods include time-series analysis of employment indicators, cross-sectional comparisons across education levels and sectors, productivity calculations using **GVA-to-worker** ratios, and demographic projections using **UN Population Division data**.

All figures presented are from official government sources or internationally recognised institutions, with conflicting estimates clearly noted where they occur.

About the Author

Divyanka Tandon holds an **M.Tech in Data Analytics from BITS Pilani**. With a strong foundation in technology and data interpretation, her work focuses on geopolitical risk analysis and writing articles that make sense of global and national data, trends, and their underlying causes. Views expressed are the author's own.



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106, 5th Main road, Chamarajpet, Bengaluru, Karnataka - 560018

E-mail: samvada.world@gmail.com

Website: www.samvadaworld.com

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