

# Bonanza ahead: 10 million new jobs likely in 4 years

First, the budget announcements to boost skills. Second, a surprise repo rate cut by the Reserve Bank of India to spur growth and investments — the job market is overflowing with positive sentiment.

Based on the recent economic developments, headhunters expect 4 to 10 million jobs to be created in the next 3 to 4 years.

“We estimate creation of about 4 million jobs in the next few years driven by budgetary initiatives such as emphasis on creating employment opportunities for young Indians followed by repo rate (the rate at which banks borrow from RBI) cut to spur growth and investment opportunities further,” said Kamal Karanth, managing director, US-based staffing firm Kelly Services, and OCG India. “Increased investments in sectors such as manufacturing in auto and defence equipment will open job avenues and steer growth.”

However, though the hiring sentiment is very high, the real momentum, similar to the 2006-07 level, is still lagging, experts said. “We are not witnessing much action in services sector where largest chunk of job creation happens including retail, information technology and insurance among others,” said Amit Garg, executive director, digital initiatives, HT Media, which owns job portal Shine.com.

Recruiters also echoed similar sentiment. “With increased focus on infrastructure, entrepreneurship, ease of doing business and increased investments to support rural job creation, the budget followed by the surprise rate cut has the potential to generate 10 million jobs in one year,” said Pankaj Bansal, chief executive officer, PeopleStrong HR. “However, these many jobs would be created in one year, only if, the economy achieves a GDP growth rate of 8.5%.”

The real picture is expected to be played out by June. “We hope that by the next three to four months, the hiring cycle will move much faster,” Garg said.

“Post June, we are expecting 15% rise in job openings,” said Rituparna Chakraborty, president, Indian Staffing Federation, an apex body of flexi staffers.

Finance minister Arun Jaitley has initiated the process of job creation by focusing on labour-intensive sectors such as textiles, food processing, construction and tourism in the budget. Also, the setting up of AIIMS, IIT’s and IT hubs across several states will help address the huge demand for IT jobs in India.