



## EDITORIAL: INDIAN EXPRESS

**GENERAL STUDIES 3: ECONOMY**  
**TOPIC: LABOUR**

**DATE: 14.04.2025**

**India can use the legal migration route to leverage its demographic dividend**

**India's Strategic Opportunity as a Global Talent Hub**

### 1. Context: Global Labour Shortage

- By 2030, high-income countries are expected to face a **labour shortfall of 40–50 million** workers.
- By 2040, this gap could widen to **120–160 million**.
- Key affected sectors include **healthcare, education, engineering, industrial labour,** and transportation.

### 2. India's Advantageous Position

- India has a **large, youthful workforce** and strong human capital potential.
- Currently, only **1.3% of India's population lives abroad**, significantly lower than countries like **Mexico** or the **Philippines**.
- India receives **\$125 billion in annual remittances**, around **3% of its GDP**.

### 3. Dual Benefit: Employment and Remittance

- Expanding skilled and semi-skilled labour exports helps:
  - **Generate employment** domestically.
  - **Increase remittances**, which reduce poverty and support macroeconomic stability.
- A **10% rise in remittances** can lower poverty by **3.5%** (as per global studies).

**Key Strategies to Position India as a Global Skills Capital**

### 1. Institutional Framework for Overseas Employment

- Strengthen the **Ministry of External Affairs** and its migration department.
- Forge **bilateral labour agreements** based on market needs.



- Empower **state-level labour departments** for local recruitment coordination.
- Establish **migration support desks in embassies**, similar to the **Philippine model**.

## 2. Aligning Skills and Certifications with Global Standards

- Update India's **skill development ecosystem** to match global job market standards.
- Promote **mutual recognition of qualifications**.
- Integrate **foreign language training** (especially Arabic, German, Japanese, etc.).
- Partner with **international universities and training bodies** for joint certifications.

## 3. Reducing Migration-Related Financial Barriers

- Current migration cost ranges:
  - **Rs 1–2 lakh** for Gulf countries.
  - **Rs 5–10 lakh** for European nations.
- India can adopt the **Philippine model**:
  - Employers or staffing agencies cover travel, visa, and health check costs.
- Develop **financial assistance mechanisms** like **migration loans** or **subsidy schemes**.

## 4. Streamlining Government-to-Government (G2G) Agreements

- Sign labour mobility pacts with **key destination countries** (e.g., Germany, Japan, UAE).
- Focus areas of agreements:
  - **Visa simplification**
  - **Cultural integration policies**
  - **Recognition of Indian degrees and skills**
- Use the **Philippines' 65+ country model** as a roadmap.

## 5. Creating a National Mobility Industry Body

- Set up a **central coordinating body** for overseas recruitment.
- Roles of the body:
  - Represent India's **migration industry**.



- Set **ethical recruitment standards**.
- Liaise between government, recruiters, and foreign partners.
- Ensure **training and regulatory compliance**.

## 6. Establishing a Migrant Social Welfare System

- Align welfare measures with **ILO (International Labour Organization) standards**.
- Key components:
  - **Fair wages and timely payments**
  - **Safe living and working conditions**
  - **Access to healthcare and legal aid**
  - **Grievance redressal systems**
- Build a **positive image** of India as a responsible labour-exporting country.

## 7. Support for Returning Migrants

- Reintegrate migrants with:
  - **Reskilling and upskilling programs**.
  - **Employment placement assistance**.
  - **Support for entrepreneurship** and business creation.
- Use the **global exposure** of returning migrants to enhance domestic productivity and innovation.

## Conclusion: A Long-Term Strategic Vision

- The global labour crisis offers **India a unique demographic advantage**.
- By building an **integrated talent mobility framework**, India can:
  - Boost **economic growth**.
  - Reduce **domestic unemployment**.
  - Strengthen its role in the **global labour value chain**.
- This vision aligns with both **Make in India** and **India for the World** as twin pillars for national development.



# PL RAJ IAS & IPS ACADEMY

MAKING YOU SERVE THE NATION

Source: <https://indianexpress.com/article/opinion/columns/india-can-use-the-legal-migration-route-to-leverage-its-demographic-dividend-9942497/>



**P.L. RAJ IAS & IPS ACADEMY | 1447/C, 3rd floor, 15th Main Road,  
Anna Nagar West, Chennai-40. Ph.No.044-42323192, 9445032221  
Email: plrajmemorial@gmail.com Website: www.plrajiacademy.com  
Telegram link: <https://t.me/plrajiacademy> YouTube: P L RAJ IAS & IPS ACADEMY**