



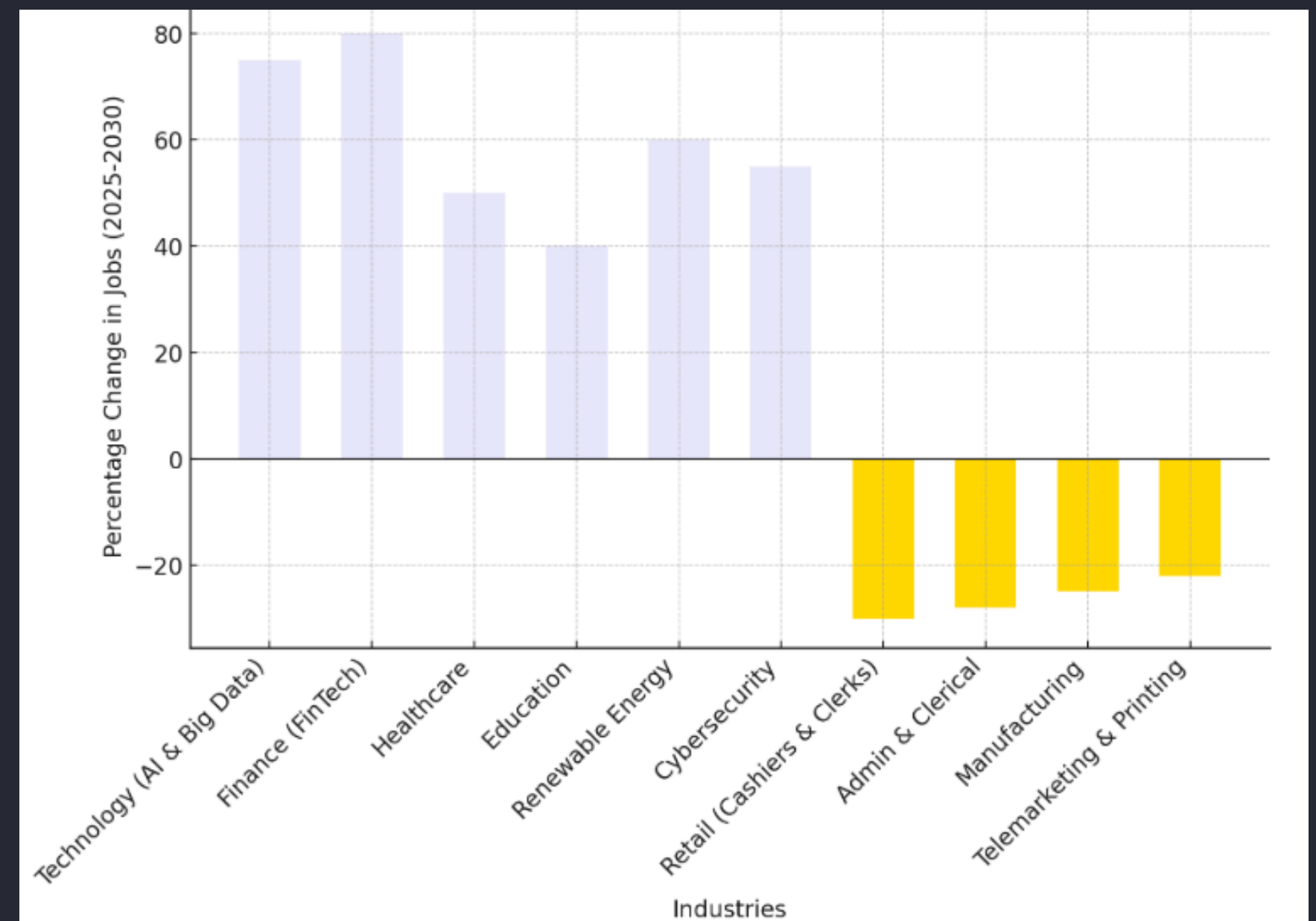
Future of Jobs Report 2025

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Sectoral Analysis of Trends in Job Creation

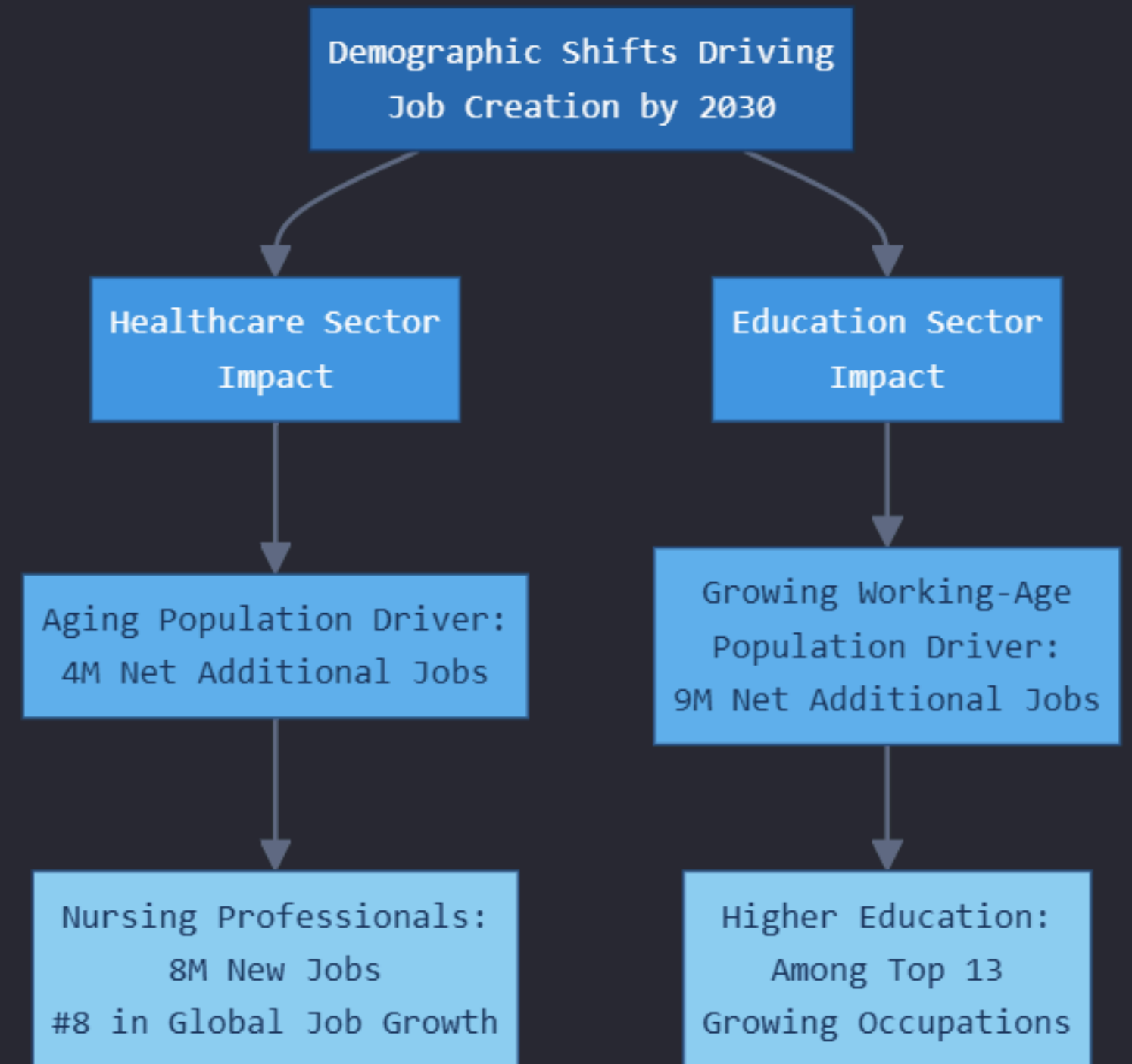
The report concludes that by 2030, global job market shifts will create 170 million new jobs (14%) while displacing 92 million jobs (8%), resulting in a net gain of 78 million jobs (7%) of today's employment.

1. AI, Big Data, and FinTech Engineers emerge among the fastest-growing jobs, making India's expanding IT and digital finance sectors key beneficiaries.
2. While global decarbonization efforts drive demand for Renewable Energy Engineers and EV Specialists, India's 500 GW renewable target presents a major opportunity
3. In India, government jobs, particularly clerical roles, remain highly preferred due to job security and the existing skill gap. However, there has been a decline in clerical banking jobs. This is also what the report highlights in context of bank tellers and administrative assistants, which are among the fastest-declining due to AI-driven automation and digital banking advancements.



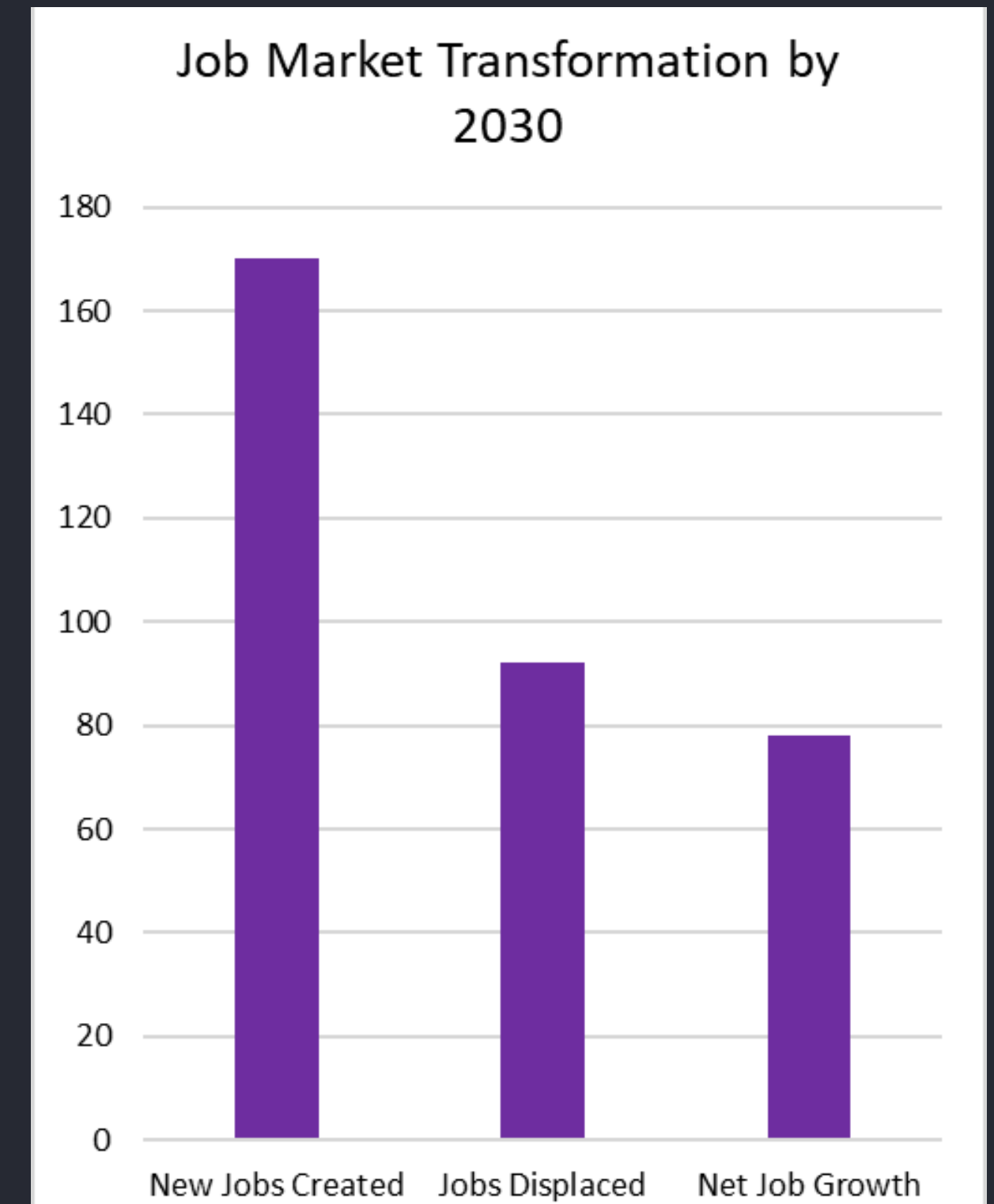
Influence of Demographic Changes on Healthcare and Education-Related Job Roles

- India's elderly population (60+) will double by 2050, driving a 100% increase in healthcare demand. Nursing professionals and elderly care workers are among the fastest-growing jobs, necessitating massive workforce expansion and AI-driven healthcare solutions to manage rising patient loads efficiently.

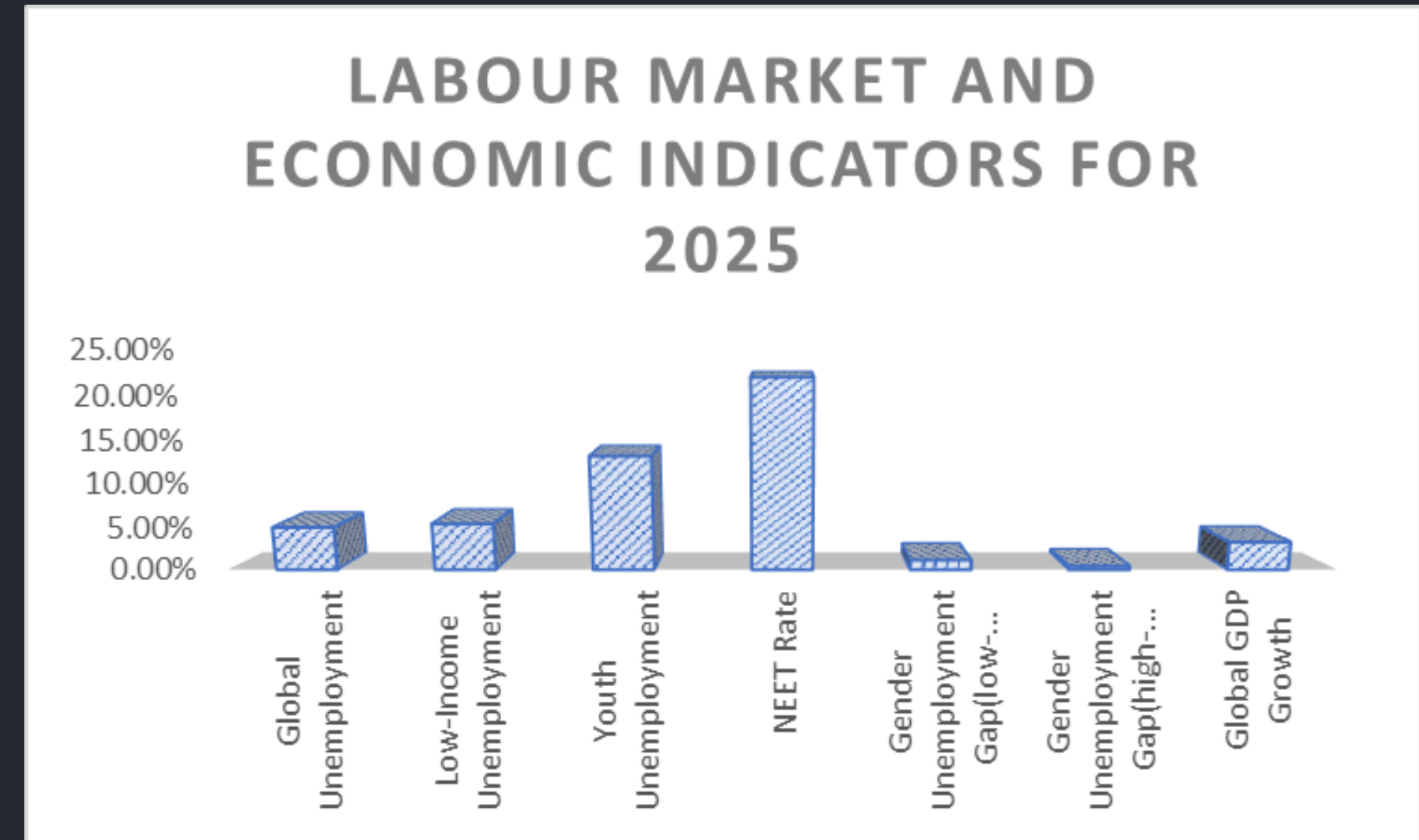


LABOUR MARKET LANDSCAPE

By 2030, the global labour market will experience a structural realignment, with job reallocation (22% of total employment) reaching levels comparable to past economic paradigm shifts. The net employment growth of 7% masks a deeper challenge: frictional and structural unemployment risks arising from sectoral shifts and labour misallocation. The displacement of 92 million jobs underscores potential productivity shocks, particularly in economies with rigid labour markets. If capital formation and labour mobility do not keep pace with job displacement, potential output losses and wage polarization could exacerbate economic inequalities, reinforcing labour market bifurcation between high-skill and low-skill segments.



The 2025 labour market reflects a paradox of progress—global unemployment has declined to 4.9%, yet structural inefficiencies persist. Low-income economies face a 5.3% unemployment rate, while youth joblessness remains entrenched at 13%, with 21.7% of young people classified as NEETs, signaling severe labour market frictions. The jobs gap, now at 402 million, underscores a chronic employment deficit. Gender disparities remain entrenched, with women in low-middle-income nations facing a 1.1% higher unemployment rate than men, a trend largely unchanged in high-income economies (0.4% gap). Meanwhile, global GDP growth of 3.2% is shadowed by escalating trade restrictions, now impacting 10% of global imports, reinforcing supply-side rigidities and deglobalization pressures.



Five Forces Reshaping the Labour Market by 2030

- **The Automation & Digital Revolution** is simultaneously a driver of economic growth and labor market disruption, with 19 million jobs created and 9 million displaced. Productivity gains in cybersecurity, software development, and digital finance contrast with the decline of administrative roles and routine manual labor. Manufacturing is undergoing capital-labor substitution, with firms reallocating investment from low-skill labor to high-skilled engineering and robotics. *Efficiency gains, however, often manifest as labor market displacement where productivity growth does not always translate into equitable job creation.*
- **The Green Economy** presents a classic case of creative destruction, with 5 million new jobs generated via climate adaptation and 3 million through emissions reduction, while fossil fuel-dependent sectors experience capital flight and labor market contraction. Renewable energy, sustainability consulting, and environmental engineering are attracting investment, but for legacy industries, *"going green" increasingly resembles a structural adjustment rather than a seamless transition.*
- **Economic uncertainty** remains a looming threat. 50% of businesses cite cost pressures as a major challenge, and wage stagnation is stifling consumer-driven job growth. *Inflation may be easing, but the cost of living hasn't received the memo.*

- Meanwhile, the **Global Demographic Divide** is deepening. High-income nations struggle with an aging workforce, fueling demand for healthcare and elder care, while developing nations face a youth employment crisis. One half of the world worries about not having enough workers; the other half worries about not having enough jobs.
- **Trade fragmentation** is forcing industries like automotive, metals, and electronics to rethink supply chains as geopolitical tensions reshape global commerce. Globalization was nice while it lasted—until everyone started keeping score.

The Big Picture

The most disruptive force remains automation, outpacing industries' ability to adapt. Economic uncertainty lingers, but it is less transformative than digitalization or climate policies. The ultimate lesson—*Adaptation isn't optional. Those who invest in reskilling and agility will shape the future—everyone else will be left reminiscing about the good old days of job security.*

Global Skills Outlook

- In the first Future of Jobs Report (2016), the World Economic Forum (WEF) surveyed that employers predicted 35% of worker's skills to be disrupted in the following years. However, the COVID-19 pandemic event, in culmination with rapidly changing avenues in frontier technologies, thereafter, predicted high levels of skills instability.
- The core skills survey 2025 indicates top core skills - analytical thinking, resilience and flexibility, leadership, creative thinking, motivation and self-awareness, technological literacy, AI and big data, empathy, curiosity (with notable distinctions within specific sectors that place higher value on certain skills), meanwhile, net decline is anticipated in reading, writing and mathematics. Skills such as networking and cybersecurity, and environmental stewardship are projected to rise in demand by 2030. While not yet core skills for most organizations, they indicate areas where businesses may need to build capabilities before they become critical.

- The subsequent Jobs surveys conducted in 2020, 2023, and 2025 by WEF exhibit the decreasing share of core skills that will change in the next 5 years with 57% in 2020 and 44% in 2023.
- As it further dips to 39% in 2025, the report indicates data, as represented in the following figure, that lower-middle and upper middle-income economies such as Egypt (44%), Zimbabwe (44%), Mexico (40%), Philippines (39%) and India (38%) anticipate greater disruption in workers' skills, in sharp contrast to high income economies like Singapore (36%), U.S. (35%), Japan (34%), China (33%), the U.K. (33%) and France (33%), that foresee less instability in the next 5 years.

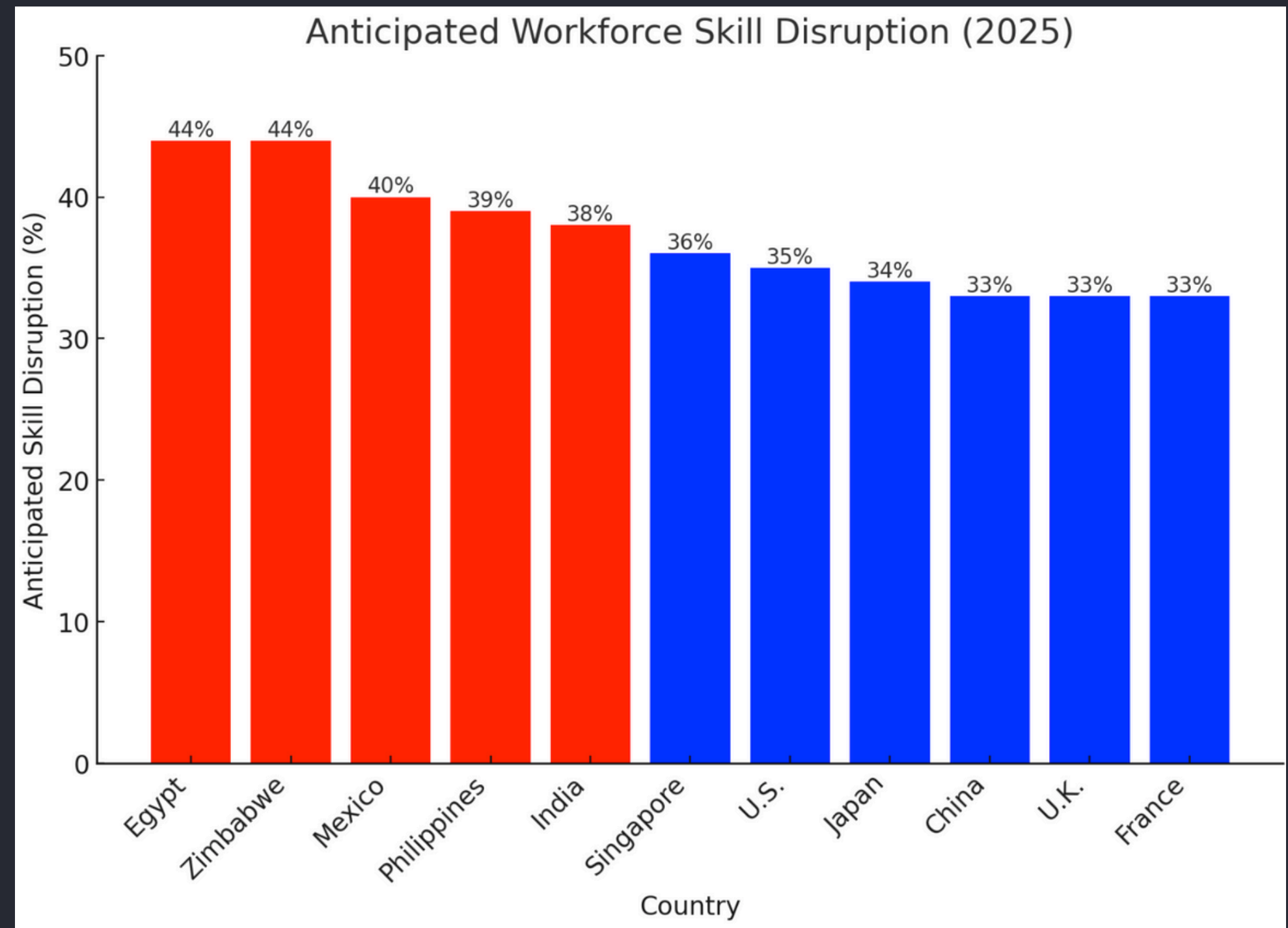


Figure 4: Anticipated Workforce Skill Disruption 2025

India's Macro-Skill Trends 2025

- Mr. Nirmal Singh, Chief Governor of the India Skills Report (2025), claims that with over 65% of India's workforce under the age of 35, the country has the potential to capitalize on economic shifts, evolving workforce expectations, and rapid technological advancements. The report further indicates that over 50% of graduates are now employable—a 17% increase since 2015—by focusing on critical emerging technologies and facilitating greater talent mobility across borders.
- The Wheebox Global Employability Test (GET), featured in the same report, indicates that India's overall employability stands at 54.81%, with leading domains including information technology, computer science, and electronics and computer engineering. The skills survey further highlights a well-balanced emphasis on soft skills such as ethics, collaboration, agility, and problem-solving, alongside proficiency in digital literacy, management, and cognitive skills—aligning with global skill trends.

- Gender employability trends in India reflect a 53:47 male-to-female ratio, with male candidates predominantly choosing fields such as engineering, IT hardware, and diverse industries. In contrast, female candidates demonstrate strong interest in beauty, fashion, HR, finance, and research-driven fields. While the presence of non-binary candidates remains minimal, they show notable preferences in fashion, marketing, biotech, banking, and business strategy.
- To support youth in acquiring skills, the Ministry of Skill Development and Entrepreneurship has implemented initiatives such as the National Apprenticeship Promotion Scheme (NAPS), Pradhan Mantri Kaushal Vikas Yojana (PMKVY), Jan Shikshan Sansthan (JSS) Scheme, and the Craftsman Training Scheme (CTS), delivered through various Industrial Training Institutes (ITIs) across the country. These efforts are further reinforced by government initiatives like Skill India and the National Education Policy (NEP). Additionally, flagship programs such as Make in India and Digital India complement these initiatives by stimulating job creation and fostering talent development.

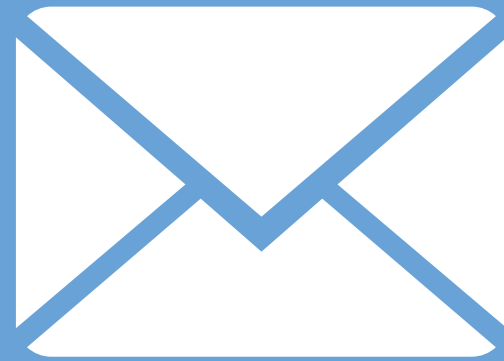
Government Initiatives and Policy Analysis

The Government of India has implemented a range of initiatives and policies aimed at addressing critical issues such as skill disruption and job creation, with a focus on enhancing employability across various sectors.

- Pradhan Mantri Kaushal Vikas Yojana (PMKVY) is a flagship initiative launched by the government in 2015 aimed at upskilling and reskilling the population in the wake of great skill disruption. Over 1.4 crore individuals have been trained since 2015 under this scheme which incentivizes them for obtaining skill certification.
- PMKVY 3.0 was allocated 1438 crores out of which approximately only 1000 crores were utilized. Placement rate for trained individuals fell below the rate of 10% for 3.0 version of the initiative.
- Issues like under-utilization of funds, poor placement rate, poor quality of training and unavailability of trainers which are required to match industry standards limit the efficiency of this scheme. The government has also failed in the implementation of the initiative by not getting trainees placed, due to unavailability of placement partners. This skill development initiative failed to meet industry requirements.

- National Skill Development Mission was launched in 2015 with the aim of providing opportunities for long and short term training which is focused on the outcome of increasing employability and meeting national and international standards. This mission was launched in the wake of only 2.3% of the Indian workforce having received formal skill training.
- This mission faces challenges like the quality of the trainers, infrastructural constraints of the training centers, poor placement records and mismatch between the training outcomes and the industry requirements.
- National Policy on Skill Development and Entrepreneurship was launched in 2015, but has still not delivered on the aimed objectives. The annual report on NSDC indicates that less than one-fourth of the individuals enrolled got placed through the scheme's Kaushal Mahotsav and less than one-third of the individuals who enrolled received the certification.
- The major concern revolving around these initiatives is that of updating the curriculum and the module according to the effects of the technological macrotrend. The industry requirements in the AI and machine learning domain makes the certification outdated. There is also an absence of follow-up mechanism to help trained individuals find employment opportunities.

- Countries like Jordan which have one of the highest fertility rates in the world and hence a young population face very high levels of employment due to geographical mismatch and skills mismatch arising from an inadequate skill training system. Jordan has made reforms in policy and has expanded its technical and vocational educational training.
- NGOs in Jordan are also actively involved in providing youth entrepreneurship trainings and vocational programmes.
- They have also developed a European Training Foundation which will provide equivalency certificates of nationalized and internationalized standards which will result in less strain on the government of Jordan.
- Bangladesh has incorporated a private provision within the formal system where the private enterprises actively engage in skill development and training is given according to the needs of the private sector.
- In a nutshell, the government needs to incorporate a monitoring and follow-up mechanism after the training is given in order to ensure better placements, launch and implement these initiatives with an inherent policy of updating the modules to match the requirements of the industry. These initiatives also need to be in partnerships with private enterprises in order to find an adequate placement partner. It is imperative for the government to establish a recruitment mechanism for the trainers.



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