

# Employment Opportunities and Economic Resilience: Highlights from the Union Budget 2024-25



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### Abstract

The key goals of India's Union Budget 2024-2025 are to create jobs and strengthen the country's economic resilience to foreign threats. Notable qualities include significant infrastructure expenditures, advances in digitalization, and targeted help for industries with increased job opportunities. The budget also highlights the need of skill development programs in preparing the workforce for emerging industries. Furthermore, initiatives to promote social welfare programs, foster innovation, and assist small and medium-sized firms (SMEs) are essential to achieve long-term economic growth. This article examines the budget's strategic objectives and their potential impact on employment and the overall economic situation, and the initiatives introduced in the budget for economic stability.

**Keywords:** Employment, Union Budget 2024-2025, Skill Development, SMEs, Technology

The Union Budget for the fiscal year 2024-25 was presented by Finance Minister Nirmala Sitharaman on July 23, 2024. It is the 75th union budget presented to citizens, primarily focusing on further developing sectors such as Agriculture, Employment, Infrastructure, Social Justice, and Manufacturing, amidst more. Furthermore, this budget focuses centrally on four groups – the poor (garib), women (mahilayen), the youth (yuva), and farmers (annadata). This further elucidates the government's tenacity to promote inclusive growth and equitable development.

The budget features comprehensive steps to boost productivity in agriculture, assist employment and skill development, stimulate inclusive human resource development, and promote manufacturing and service expansion. As a nation, India is at a key juncture in its economy, and the annual Union Budget acts as a fiscal framework to assess the government's aims and priorities for the country. With the global economy in decline and global geopolitical unrest, the 2024-25 budget is pivotal as it will determine the nation's economic resilience and ability to navigate through worldwide instability.

This budget serves as a roadmap to outline how the government aims to address obstacles, capitalize on opportunities, and progress India's objective of becoming a developed country in the global economy. This budget will play a crucial role in ascertaining domestic markets, promoting sustainable growth, and maintaining social welfare even in uncertain environment. It will be a benefactor for the government to make strategic investments in sectors relevant for social and economic development, such as health, education, employment, gender, infrastructure, innovation, and more.

### Job Creation: A Multifaceted Plan

Employment plays a significant role in the development of this budget, acting as a formidable force to withstand market uncertainties and job scarcity. In lieu of the nation's burgeoning population and demographic composition, there is a significant job vacuum in which the youth is unable to find adequate jobs that they are skilled for, often having to suffice with jobs that do not maximize or utilize their skillset and potential. Albeit a growing workforce of skilled individuals there is a perforation in the market for sufficient job opportunities, thereby exasperating unemployment and underemployment. With a focus on entrepreneurship, skill development, and establishing an environment that is favourable to job creation across a range of industries, the Union Budget 2024-25 seeks to address this issue head-on.

Furthermore, the budget underscores the importance of retraining and upskilling for workers to adapt to the evolving requirements of the modern economy. Enhancing industry-specific competencies and promoting vocational training programs are vital for bridging the skills gap that exists between education and employment. The government is focusing on these areas to ensure that the Indian workforce is adequately equipped to meet the challenges posed by a rapidly transforming labour market by partnering with private sector companies and educational institutions.

### Saturation Approach: A Conceited Plan

The Union Budget for the fiscal year 2024 - 2025 has implemented a robust saturation strategy aimed at combating several pressing issues, such as unemployment and underemployment. This strategy is designed to address the

employment crisis that affects a wide range of industries and diverse population groups. By adopting this comprehensive approach, the government seeks to leave no stone unturned in its quest for job creation. This entails a thorough exploration of all available resources and opportunities to generate employment, ensuring that every possible avenue is maximized to its fullest potential. The focus is not only on creating jobs but also on enhancing their quality and sustainability, thereby fostering a more resilient workforce that can adapt to the evolving demands of the economy. Through this initiative, the government aims to create a more inclusive job market that benefits all segments of society, ultimately contributing to economic growth and stability.

**Workforce Development:** A substantial portion of the budget is allocated to the enhancement of skills and the upskilling of the current workforce. This initiative aims to rectify the significant disparity between the skills that are available and those that are sought after in the labour market. The government intends to overhaul existing vocational training programs to ensure they are more aligned with industry requirements and contemporary demands. The budget allocates circa INR 20,000 crore to the Skill India Mission, aiming to equip the youth with industry-relevant skills. Another pivotal initiative is the promotion of apprenticeships, which enables young individuals to acquire practical experience whilst earning an appropriate wage. Furthermore, the establishment of robust partnerships between industry and academia will guarantee that graduates are equipped with the skills and certifications that prospective employers require. This emphasis on skill development not only improves employability but also cultivates a workforce that is prepared to enhance productivity and drive innovation.

**Promoting Entrepreneurship:** Acknowledging the significant impact of entrepreneurship on job creation, the budget is designed to cultivate a mindset of innovation and self-employment. The government is suggesting the provision of financial aid to potential entrepreneurs through venture capital funds, seed funding initiatives, and loan guarantees. Supportive environments like incubation centres will play a crucial role in the initial phases by offering shared office spaces, mentorship, and access to business connections. Furthermore, mentorship schemes will link aspiring entrepreneurs with experienced professionals who can assist them in overcoming the hurdles of establishing and expanding their ventures. A vibrant entrepreneurial environment encourages the development of new industries and business strategies, leading to job opportunities throughout the entire value chain.

**Investment in Infrastructure:** Infrastructure development plays a crucial role in boosting employment opportunities through its multiplier effect. Government efforts to build roads, bridges, railways, and other infrastructure projects will not only result in direct job creation within the construction sector but also spur economic growth in associated industries such as manufacturing, transportation, and logistics. Consequently, a diverse range of skilled workers will benefit from the indirect job opportunities generated by these projects. The construction sector, with its demand for both skilled and unskilled labour, contributes to a more inclusive economic growth model. Furthermore, the budget highlights the gig economy and the digital sector. Through investments in digital infrastructure and fostering the growth of startups, the government's goal is to generate employment opportunities in emerging fields such as information technology, e-commerce, and digital services. This targeted approach towards modern, high-growth industries aims to open up new job avenues for a tech-savvy youth population.

**Aggrandizing MSME:** MSMEs are crucial to the Indian economy, contributing significantly to the GDP and employment creation. The budget acknowledges their importance and proposes measures to support their growth. Enhancing credit accessibility is key for MSMEs, with the budget aiming to streamline loan application processes and encourage banks to offer competitive rates. Additionally, simplifying regulations and reducing administrative burdens will allow MSMEs to focus more on their core operations. By facilitating access to resources and improving administrative efficiency, the government aims to empower MSMEs to expand, create jobs, and boost the overall economic vitality of the country.

**Labor Market Reforms:** Achieving a harmonious equilibrium between fostering job creation and safeguarding worker rights is of paramount importance. The budget recognizes the necessity for adaptable labour regulations that can draw in investments and cultivate a favourable atmosphere for business growth. Nonetheless, it is imperative that these reforms prioritize the well-being of workers. Possible initiatives may involve simplifying labour legislation while maintaining robust protections for employees, encouraging contractual employment in targeted industries alongside the implementation of comprehensive social security provisions, and enhancing cooperative dialogue between labour and management.

## Conclusion: A Progressive and Inclusive Blueprint for Employment Growth

The Union Budget for 2024-25 is distinguished as a visionary and inclusive framework designed to address the complex employment issues currently prevalent in the nation. Through the implementation of a saturation strategy and strategic resource allocation, the budget guarantees a thorough approach that seeks to maximize job creation and improve the employability of the Indian labour force. The deliberate distribution of resources among diverse sectors reflects a dedication to promoting sustainable and inclusive economic development and create a dynamic labour market that is both inclusive and sustainable.

It demonstrates the government's dedication to establishing a strong employment environment. It focuses on meeting immediate job creation requirements and setting the foundation for long-term economic expansion, with the goal of ensuring sustainable development and social well-being. The budget's all-encompassing and inclusive strategy for generating employment, achieved through strategic investments and specific policies, presents a hopeful plan for India's economic prospects. If effectively executed and consistently supervised, the initiatives outlined in this budget have the capacity to ameliorate the employment scenario, ergo propelling the nation towards a more prosperous and fair future.



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