



Seven Million Jobs Created in Formal Sector

The Indian Staffing Federation (ISF) has reported the formalisation of over seven million jobs between 2015-2018 **due to reforms and initiatives taken by Indian government.**

- **The report titled, 'Impact of key reforms on job formalisation and flexi-staffing'** mentioned that 1.2 million workers have been added to the flexi-workforce since 2015 and a further 1.53 million are to be added over the next three years.
- The government's current agenda of job creation can be achieved by boosting the aggregate effective demand in the economy through formalisation, industrialisation, urbanisation, financialisation and skilling.
- India will have a 6.1 million flexi-workforce by 2021.
 - Sectors such as logistics, banking, financial services and insurance (**BFSI**), **IT/ ITeS, retail and government** would be the **top five sectors, employing over 55 per cent of the total flexi-workforce by 2021.**
- **The flexi staff space grew** at a Compound Annual Growth Rate (CAGR) of **16.3 per cent in 2018** and is expected to further accelerate to **22.7 per cent from 2018-2021.**
- The report establishes **flexi-staffing as a key job creation engine.**
- The acceleration in momentum towards formal employment witnessed in the past three years clearly means the reforms such as the payment of wages act and EPF are having a positive impact.

Flexi-staffing

- **Flexible Staffing** is an arrangement in an organization where the employees can be from **temporary agencies, leased employees or contract workers.**
- It is more commonly known as temporary staffing and predominantly focuses on the white collar industry.

Indian Staffing Federation (ISF)

- The ISF is the apex body representing the Staffing industry/Private Employment Services that is **authorised to discuss with government agencies and other trade bodies on behalf of the staffing industry/ private employment services.**
 - **The Staffing / private employment services** is an enabler **to provide social security and long term medical, and retirement benefits to temp/flexi-staff.**
- The purpose of ISF is to enhance long-term growth and ensure its continued ability to make positive contributions to the economy as well as the society **through the services of the Staffing Industry.**
- **Staffing Industry covers a meager 2% penetration of the possible employable size in India.**
 - Of the 400m employable in India, about 10% are employed in the organised sector, and while about 250m are self-employed.
 - This leaves **almost 110m** who are **employed by the temp/ flexi-staffing and the unorganised sector.** ISF is working towards growing this market.
 - To bring effect, **the laws and regulations haven't taken Staffing industry/ Private**

Employment Services **into cognizance.**

- ISF expects to interact with law making authorities to recognize Staffing industry / Private Employment Services and create adequate and appropriate laws to manage it.

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