

Greater automation may lead to slack in the labour market: Das

Need to guard against a post-pandemic 'digital divide', cautions RBI Governor

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A major challenge to inclusiveness post pandemic would come from the fillip to automation provided by the pandemic, Reserve Bank of India Governor Shaktikanta Das noted on Wednesday.

“Greater automation would lead to overall productivity gain, but it may also lead to slack in the labour market. [This] calls for significant skilling of our workforce,” Mr. Das said, speaking virtually at an annual convention of the All India



Pillar of demand: Restoring durability of private consumption will be crucial for the economy, says Das. ■ REUTERS

Manufacturers Association. “We also need to guard against any emergence of ‘digital divide’ as digitisation

gains speed after the pandemic,” he added. He pointed out that the need for professionals trained in science,

technology, engineering and mathematics had been rising briskly. “In the short-term, the supply of such a workforce cannot be increased by the traditional educational system; there is a need for close involvement of corporates in the design and implementation of [suitable] courses,” he said.

On economic recovery, he said: “Restoring durability of private consumption, which has remained historically the mainstay of aggregate demand, will be crucial going forward.”