

India's Demographic Dividend

Why in news?

[Interim budget](#) announced the formation of "high-powered committee to study India's population growth.

Status of India's demographic dividend

- Demographic dividend, as defined by the United Nations Population Fund (UNFPA), is "the economic growth potential that can result from shifts in a population's age structure, mainly when the share of the working-age population (15 to 64) is larger than the non-working-age share of the population (14 and younger, and 65 and older)".
- In 2022, India's population stood at 1.417 billion, surpassing China's 1.412 billion, making India the most populous country in the world.
- According to the latest projections by the United Nations, India's population is expected to reach 1.46 billion by 2030, comprising 17% of the world's projected population.
- India's population growth and fertility have declined since the 1970s, this is reflected in the Total Fertility Rate which has been instrumental in shaping India's demographic trajectory.
- India's TFR will drop to 1.73 by 2035, leading to a demographic transition with more working-age people and fewer children.
- As per *Economic Survey 2018-19*, India's demographic dividend age will peak around 2041, when the population of working age (those aged 20 to 59 years) will reach 59%.

What is population growth committee?

- **Mandate**- To study India's population growth to ensure that the nation is on target to meet the Viksit Bharat goal by 2047.

The term 'Viksit Bharat' means 'Developed India'. Viksit Bharat 2047 represents the government's vision to transform the country into a developed entity by its 100th independence in 2047.

- **Role**- To examine the "challenges arising from fast population growth and demographic changes.
- **Address issues**- It will focus on issues such as family planning, maternal and child health, education, employment, and socio-economic development.
- **Interdisciplinary approach**- The committee will draw expertise from fields such as demography, public health, economics, sociology, and governance.

What the population committee should consider?

- **Modernise data infrastructure**- It includes establishing robust systems for data

collection, management and analysis, need to upgrade data collection methods to ensure data security and privacy.

- **Data reliability**- Independent audits, data validation exercises, and peer review processes can help identify and rectify data errors and inconsistencies.
- **Open data initiatives**- It can facilitate access to population data for researchers, policymakers, and the public, making population data freely available in standardised formats promotes data reuse, transparency, and accountability.
- **Multi-stakeholder approach**- It should collaborate with various stakeholders, including government agencies, non-governmental organisations, civil society groups etc., to fostering partnerships and enable collective action to carry out population-related policies and programmes at the national and grass-root levels.
- **Awareness generation**- The committee should empower individuals and communities with accurate information and resources, this would promote responsible family planning practices and improve health outcomes.
- **International cooperation**- The population committee should also facilitate international collaboration with UN Population Division, World Bank etc., for the exchange of best practices in population management.

How India can leverage its demographic dividend?

- **Invest in human capital**- To maximise the benefits of a favourable age distribution, India must invest in greater development of its human capital.

Human capital is the intangible collective resources possessed by individuals and groups within a given population.

- **Increase fund in health**- India requires concerted efforts to ensure access to essential commodities, nutrition programmes targeting vulnerable populations, and interventions to improve water availability and sanitation.
- **Employment generation**- It is essential to absorb India's large and young workforce, this would reduce poverty and inequality.
- **Formalisation of workforce**- India needs to integrate the informal sector which accounts for about 90% of India's employment with formal sector, this would improve productivity, wages and social protection for millions of workforce.
- **Skill upgradation**- To ensure that the growing proportion of middle-aged workers can keep up with the changing demands of an increasingly technologically driven economy, we must invest in continued skill upgradation and on-the-job training above and beyond formal education.
- **Focus on dependency burden**- Rising retirement age, enhanced old age pension schemes, and increased ability to sell land or homes this will increase the ability of older population to be self-sustaining.

Dependency burden is defined as the number of individuals ages 15-59 supporting children under 15 and older population above 60, will vary dramatically between states.

- **Gender equality-** Female labour force should be empowered as they face issues such as social norms, discrimination and lack of education and skills.
- **Address gender disparity-** Improve access to education, health and promote family planning practices are crucial in ensuring inclusive and sustainable development.

What lies ahead?

- India can realise its demographic potential by adopting a holistic approach to population management, prioritising investments in health, education, employment and statistical systems.
- India can navigate its demographic transition to emerge as a global leader in inclusive and sustainable development with strategic planning, effective implementation and international collaboration

References

1. [The Hindu- Charting a path for population committee](#)
2. [Indian Express- Population growth committee](#)

